

104TH CONGRESS
2D SESSION

S. 555

AN ACT

To amend the Public Health Service Act to consolidate and reauthorize health professions and minority and disadvantaged health education programs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Health Professions Education Consolidation and Reau-
6 thorization Act of 1996”.

- 1 (b) TABLE OF CONTENTS.—The table of contents for
 2 this Act is as follows:

Sec. 1. Short title.

TITLE I—HEALTH PROFESSIONS EDUCATION AND FINANCIAL ASSISTANCE PROGRAMS

Subtitle A—Health Professions Education Programs

- Sec. 101. Minority and disadvantaged health professions grant program.
 Sec. 102. Training in family medicine, general internal medicine, general pediatrics, preventive medicine, physician assistants, and general dentistry.
 Sec. 103. Enhanced health education and training.
 Sec. 104. Health professions workforce development.
 Sec. 105. General provisions.
 Sec. 106. Preference in certain programs.
 Sec. 107. Definitions.
 Sec. 108. Savings provision.

Subtitle B—Nursing Education

- Sec. 121. Short title.
 Sec. 122. Purpose.
 Sec. 123. Amendments to Public Health Service Act.
 Sec. 124. Savings provision.

Subtitle C—Financial Assistance

PART 1—NATIONAL HEALTH SERVICE CORPS FINANCIAL ASSISTANCE PROGRAMS

- Sec. 131. General amendments with respect to federally supported loans.
 Sec. 132. Restructuring and technical amendments.
 Sec. 133. Definition of underserved areas.
 Sec. 134. Conforming amendments.

PART 2—SCHOOL-BASED REVOLVING LOAN FUNDS

- Sec. 135. Primary care loan program.
 Sec. 136. Loans for disadvantaged students.
 Sec. 137. Student loans regarding schools of nursing.
 Sec. 138. General provisions.

PART 3—INSURED HEALTH EDUCATION ASSISTANCE LOANS TO GRADUATE STUDENTS

- Sec. 141. Health education assistance loan program.
 Sec. 142. HEAL lender and holder performance standards.
 Sec. 143. Reauthorization.

PART 4—SCHOLARSHIPS FOR DISADVANTAGED STUDENTS

- Sec. 151. Scholarships for disadvantaged students.

TITLE II—OFFICE OF MINORITY HEALTH

Sec. 201. Revision and extension of programs of Office of Minority Health.

TITLE III—SELECTED INITIATIVES

Sec. 301. Programs regarding birth defects.

Sec. 302. State offices of rural health.

Sec. 303. Health services for Pacific Islanders.

Sec. 304. Demonstration projects regarding Alzheimer's Disease.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Technical corrections regarding Public Law 103–183.

Sec. 402. Certain authorities of Centers for Disease Control and Prevention.

Sec. 403. Administration of certain requirements.

Sec. 404. Technical corrections relating to health professions programs.

Sec. 405. Clinical traineeships.

Sec. 406. Construction of regional centers for research on primates.

Sec. 407. Required consultation by Secretary.

TITLE I—HEALTH PROFESSIONS EDUCATION AND FINANCIAL ASSISTANCE PROGRAMS

Subtitle A—Health Professions Education Programs

SEC. 101. MINORITY AND DISADVANTAGED HEALTH PRO- FESSIONS GRANT PROGRAM.

(a) IN GENERAL.—Part B of title VII of the Public Health Service Act (42 U.S.C. 293 et seq.) is amended to read as follows:

“PART B—DISADVANTAGED HEALTH PROFESSIONS TRAINING

“SEC. 736. STATEMENT OF PURPOSE.

“(a) IN GENERAL.—The Secretary shall make grants to or enter into contracts with eligible entities for the purpose of establishing, enhancing, and expanding programs to increase the number and the quality of disadvantaged

1 health professionals, particularly those who provide health
 2 services to disadvantaged populations or in medically un-
 3 derserved areas or rural areas.

4 “(b) USE OF FUNDS.—Amounts provided under a
 5 grant or contract awarded under this part may be used
 6 for costs of planning, developing, or operating centers of
 7 excellence in minority health professions education, pro-
 8 grams for assisting individuals from disadvantaged back-
 9 grounds to enter a health profession, minority faculty de-
 10 velopment, minority faculty loan repayment or fellowships,
 11 trainee support, technical assistance, workforce analysis,
 12 and dissemination of information.

13 “(c) CONSORTIUM.—Schools within a consortium
 14 that applies for a grant or contract under this part shall
 15 enter into an agreement to allocate the funds received
 16 under the grant or contract among such schools and ex-
 17 pend such funds in accordance with the application for
 18 such grant or contract.

19 **“SEC. 737. PREFERENCES.**

20 “In awarding grants or contracts to eligible entities
 21 under this part, the Secretary shall give preference to—

22 “(1) projects that involve more than one health
 23 professions discipline or training institution and
 24 have an above average record of retention and grad-

1 uation of individuals from disadvantaged back-
2 grounds; and

3 “(2) centers of excellence at Historically Black
4 Colleges and Universities (as defined in section 739)
5 beginning in fiscal year 1999 and for each fiscal
6 year thereafter.

7 **“SEC. 738. AUTHORIZATION OF APPROPRIATION.**

8 “(a) IN GENERAL.—There are authorized to be ap-
9 propriated to carry out this part, \$51,000,000 for fiscal
10 year 1996, and such sums as may be necessary for each
11 of the fiscal years 1997 through 1999.

12 “(b) SET-ASIDE.—The Secretary shall set-aside
13 \$12,000,000 of the amount appropriated under subsection
14 (a) in each fiscal year for the purpose of making grants
15 under section 736 to centers of excellence at certain His-
16 torically Black Colleges and Universities.

17 “(c) NO LIMITATION.—Nothing in this section shall
18 be construed as limiting the centers of excellence referred
19 to in subsection (b) to the set-aside amount, or to preclude
20 such entities from competing for other grants under sec-
21 tion 736.

22 **“SEC. 739. DEFINITIONS.**

23 “As used in this part:

1 “(1) CENTERS OF EXCELLENCE.—The term
2 ‘centers of excellence’ means a health professions
3 school that—

4 “(A)(i) has a significant number of minor-
5 ity individuals enrolled in the school, including
6 individuals accepted for enrollment in the
7 school;

8 “(ii) has been effective in assisting minor-
9 ity students of the school to complete the pro-
10 gram of education and receive the degree in-
11 volved;

12 “(iii) has been effective in recruiting mi-
13 nority individuals to attend the school and en-
14 couraging minority students of secondary edu-
15 cational institutions to attend the health profes-
16 sions school; and

17 “(iv) has made significant recruitment ef-
18 forts to increase the number of minority indi-
19 viduals serving in faculty or administrative posi-
20 tions at the school; or

21 “(B) is a center of excellence at certain
22 Historically Black Colleges and Universities.

23 “(2) CONSORTIUM.—The term ‘consortium’
24 means the designated eligible entity seeking a grant
25 under this part and one or more schools of medicine,

1 osteopathic medicine, dentistry, pharmacy, nursing,
 2 allied health, public health, or graduate programs in
 3 mental health practice.

4 “(3) ELIGIBLE ENTITIES.—The term ‘eligible
 5 entities’ means schools of medicine, osteopathic med-
 6 icine, dentistry, pharmacy, podiatric medicine, op-
 7 tometry, veterinary medicine, public health, or allied
 8 health or schools offering graduate programs in
 9 mental health practice, State or local governments,
 10 and other public or nonprofit private entities deter-
 11 mined appropriate by the Secretary that submit to
 12 the Secretary an application.

13 “(4) HISTORICALLY BLACK COLLEGES AND
 14 UNIVERSITIES.—The term ‘Historically Black Col-
 15 leges and Universities’ means a school described in
 16 section 799B(1) that has received a contract under
 17 section 788B for fiscal year 1987, as such section
 18 was in effect for such fiscal year.”.

19 (b) REPEAL.—

20 (1) IN GENERAL.—Section 795 of the Public
 21 Health Service Act (42 U.S.C. 295n) is repealed.

22 (2) NONTERMINATION OF AUTHORITY.—The
 23 amendments made by this section shall not be con-
 24 strued to terminate agreements that, on the day be-
 25 fore the date of enactment of this Act, are in effect

1 pursuant to section 795 of the Public Health Service
 2 Act (42 U.S.C. 795) as such section existed on such
 3 date. Such agreements shall continue in effect in ac-
 4 cordance with the terms of the agreements. With re-
 5 spect to compliance with such agreements, any pe-
 6 riod of practice as a provider of primary health serv-
 7 ices shall be counted towards the satisfaction of the
 8 requirement of practice pursuant to such section
 9 795.

10 (c) CONFORMING AMENDMENTS.—Section
 11 481A(c)(3)(D)(i) of the Public Health Service Act (42
 12 U.S.C. 287a-2(c)(3)(D)(i)) is amended by striking “sec-
 13 tion 739” and inserting “part B of title VII”.

14 **SEC. 102. TRAINING IN FAMILY MEDICINE, GENERAL INTER-**
 15 **NAL MEDICINE, GENERAL PEDIATRICS, PRE-**
 16 **VENTIVE MEDICINE, PHYSICIAN ASSISTANTS,**
 17 **AND GENERAL DENTISTRY.**

18 Part C of title VII of the Public Health Service Act
 19 (42 U.S.C. 293 et seq.) is amended—

20 (1) in the part heading by striking “PRIMARY
 21 HEALTH CARE” and inserting “FAMILY MEDI-
 22 CINE, GENERAL INTERNAL MEDICINE, GEN-
 23 ERAL PEDIATRICS, PREVENTIVE MEDICINE,
 24 PHYSICIAN ASSISTANTS, AND GENERAL
 25 DENTISTRY”;

1 (2) by repealing section 746 and sections 748
 2 through 752 (42 U.S.C. 293j and 293l through
 3 293p); and

4 (3) in section 747 (42 U.S.C. 293k)—

5 (A) by striking the section heading and in-
 6 serting the following:

7 **“SEC. 747. FAMILY MEDICINE, GENERAL INTERNAL MEDI-**
 8 **CINE, GENERAL PEDIATRICS, PREVENTIVE**
 9 **MEDICINE, GENERAL DENTISTRY, AND PHYSI-**
 10 **CIAN ASSISTANTS.”;**

11 (B) in subsection (a)—

12 (i) in paragraph (1)—

13 (I) by inserting “, internal medi-
 14 cine, or pediatrics” after “family med-
 15 icine”; and

16 (II) by inserting before the semi-
 17 colon the following: “that emphasizes
 18 training for the practice of family
 19 medicine, general internal medicine,
 20 or general pediatrics (as defined by
 21 the Secretary)”;

22 (ii) in paragraph (2), by inserting “,
 23 general internal medicine, or general pedi-
 24 atrics” before the semicolon;

1 (iii) in paragraphs (3) and (4), by in-
2 serting “, general internal medicine (in-
3 cluding geriatrics), or general pediatrics”
4 after “family medicine”;

5 (iv) in paragraphs (3) and (4), by in-
6 serting “(including geriatrics) after “fam-
7 ily medicine”;

8 (v) in paragraph (3), by striking
9 “and” at the end thereof;

10 (vi) in paragraph (4), by striking the
11 period and inserting a semicolon; and

12 (vii) by adding at the end thereof the
13 following new paragraphs:

14 “(5) to meet the costs of projects to plan, de-
15 velop, and operate or maintain programs for the
16 training of physician assistants (as defined in sec-
17 tion 799B), and for the training of individuals who
18 will teach in programs to provide such training;

19 “(6) to meet the costs of projects—

20 “(A) to plan and develop new residency
21 training programs and to maintain or improve
22 existing residency training programs in preven-
23 tive medicine, that have available full-time fac-
24 ulty members with training and experience in
25 the fields of preventive medicine; and

1 “(B) to provide financial assistance to resi-
2 dency trainees enrolled in such programs; and

3 “(7) to meet the costs of planning, developing,
4 or operating programs, and to provide financial as-
5 sistance to residents in such programs, that would
6 lead to a significantly greater ratio of participating
7 individuals in such programs eventually entering
8 practice in general dentistry in rural and medically
9 underserved communities compared to the current
10 ratio of all dentists nationally practicing general
11 dentistry in rural and medically underserved commu-
12 nities.

13 For purposes of paragraph (7), entities eligible for such
14 grants or contracts shall include entities that have pro-
15 grams in dental schools, approved residency programs in
16 the general practice of dentistry, or approved advanced
17 education programs in the general practice of dentistry.
18 The Secretary may only fund programs under such para-
19 graph if such programs provide a significant amount of
20 care for underserved populations and other high-risk
21 groups.”;

22 (C) in paragraphs (1) and (2)(A) of sub-
23 section (b), by inserting “, general internal
24 medicine, or general pediatrics” after “family
25 medicine”;

1 (D) by redesignating subsections (c) and
2 (d) as subsections (d) and (e), respectively;

3 (E) by inserting after subsection (b), the
4 following new subsection:

5 “(c) PRIORITY AND LIMITATION.—

6 “(1) PRIORITY.—With respect to programs for
7 the training of interns or residents, the Secretary
8 shall give priority in awarding grants under this sec-
9 tion to qualified applicants that have a record of
10 training the greatest percentage of providers, or that
11 have demonstrated significant improvements in the
12 percentage of providers, which enter and remain in
13 primary care practice or general dentistry upon com-
14 pletion of their first period of training required to
15 obtain initial board certification. Each program shall
16 designate the primary care training or general den-
17 tistry positions that such program shall provide with
18 grant funding to support and for which such pro-
19 gram shall be held accountable regarding the pri-
20 mary care or general dentistry requirement set forth
21 in this section.

22 “(2) LIMITATION.—With respect to programs
23 for the training and education of medical students,
24 the Secretary may only provide grants or contracts
25 under this section to administrative units in general

1 pediatrics or general internal medicine if a qualified
 2 administrative unit applicant demonstrates that its
 3 medical school has—

4 “(A) a mission statement that has a pri-
 5 mary care medical education objective;

6 “(B) faculty role models and administra-
 7 tive units in primary care; and

8 “(C) required undergraduate ambulatory
 9 medical student clerkships in family medicine,
 10 internal medicine, and pediatrics.

11 Where a medical school does not have an adminis-
 12 trative unit in family medicine, clerkships in family
 13 medicine shall not be required.”; and

14 (F) in subsection (e) (as so redesignated
 15 by subparagraph (D))—

16 (i) in paragraph (1), by striking
 17 “\$54,000,000” and all that follows and in-
 18 serting “\$76,000,000 for fiscal year 1996,
 19 and such sums as may be necessary for
 20 each of the fiscal years 1997 through
 21 1999.”; and

22 (ii) in paragraph (2)—

23 (I) by striking “20” and insert-
 24 ing “12”; and

1 (II) by inserting “for family med-
 2 icine academic administrative units”
 3 after “under subsection (b)”.

4 **SEC. 103. ENHANCED HEALTH EDUCATION AND TRAINING.**

5 Part D of title VII of the Public Health Service Act
 6 (42 U.S.C. 294 et seq.) is amended to read as follows:

7 **“PART D—AREA HEALTH EDUCATION CENTERS**

8 **“SEC. 750. AREA HEALTH EDUCATION CENTERS.**

9 “(a) IN GENERAL.—The Secretary may award grants
 10 to and enter into contracts with eligible entities for
 11 projects which —

12 “(1) improve the recruitment, distribution, sup-
 13 ply, quality, utilization, and efficiency of personnel
 14 providing health services in urban and rural areas
 15 and to populations that have demonstrated serious
 16 unmet health care need;

17 “(2) encourage the regionalization of edu-
 18 cational responsibilities of the health professions
 19 schools;

20 “(3) are designed to prepare, through field
 21 placements, preceptorships, the conduct of or affili-
 22 ation with community-based primary care residency
 23 programs, agreements with community-based organi-
 24 zations for the delivery of education and training in
 25 the health professions, and other programs, individ-

1 uals to effectively provide health services in health
2 professional shortage areas;

3 “(4) conduct health professions education and
4 training activities consistent with national and State
5 priorities, including geriatrics;

6 “(5) encourage health promotion and disease
7 prevention activities;

8 “(6) conduct interdisciplinary training and
9 practice involving other health professionals;

10 “(7) conduct continuing education programs for
11 health professionals or coordinate with such pro-
12 grams; and

13 “(8) address other areas as determined appro-
14 priate by the Secretary.

15 “(b) OTHER ELIGIBLE PROGRAMS.—

16 “(1) GERIATRIC EDUCATION CENTERS.—The
17 Secretary shall award grants or contracts under this
18 section for the establishment or operation of geri-
19 atric education centers.

20 “(2) PUBLIC HEALTH TRAINING CENTERS.—

21 “(A) IN GENERAL.—The Secretary shall
22 award grants or contracts under this section for
23 the operation of public health training centers.

24 “(B) ELIGIBLE ENTITIES.—A public
25 health training center shall be an accredited

1 school of public health, or another public or
 2 nonprofit private institution accredited for the
 3 provision of graduate or specialized training in
 4 public health, that plans, develops, operates,
 5 and evaluates projects that are in furtherance
 6 of the goals established by the Secretary for the
 7 year 2000 in the areas of preventive medicine,
 8 health promotion and disease prevention, or im-
 9 proving access to and quality of health services
 10 in medically underserved communities.

11 “(C) CERTAIN REQUIREMENTS.—With re-
 12 spect to a public health training center, an
 13 award may not be made under subparagraph
 14 (A) unless the program agrees that it—

15 “(i) will establish or strengthen field
 16 placements for students in public or non-
 17 profit private health agencies or organiza-
 18 tions; and

19 “(ii) will involve faculty members and
 20 students in collaborative projects to en-
 21 hance public health services to medically
 22 underserved communities.

23 “(c) ELIGIBLE ENTITIES.—As used in this part, the
 24 term ‘eligible entities’ means schools of medicine, osteo-
 25 pathic medicine, dentistry, pharmacy, podiatric medicine,

1 optometry, veterinary medicine, public health, or allied
2 health or schools offering graduate programs in mental
3 health practice or physician assistant training programs,
4 State or local governments, and other public or nonprofit
5 private entities determined appropriate by the Secretary
6 that submit to the Secretary an application.

7 “(d) GERIATRIC EDUCATION CENTERS.—A geriatric
8 education center shall be an accredited health professions
9 school or program that—

10 “(1) improves the training of health profes-
11 sionals in geriatrics, including geriatric residencies,
12 traineeships, or fellowships;

13 “(2) develops and disseminates curricula relat-
14 ing to the treatment of the health problems of elder-
15 ly individuals;

16 “(3) supports the training and retraining of
17 faculty to provide instruction in geriatrics;

18 “(4) supports continuing education of health
19 professionals who provide geriatric care; and

20 “(5) provides students with clinical training in
21 geriatrics in nursing homes, chronic and acute dis-
22 ease hospitals, ambulatory care centers, and senior
23 centers.

1 **“SEC. 751. AUTHORIZATION OF APPROPRIATIONS.**

2 “There are authorized to be appropriated to carry out
3 this part, \$43,000,000 for fiscal year 1996, such sums as
4 may be necessary for each of the fiscal years 1997 and
5 1998, and \$29,000,000 for fiscal year 1999.”.

6 **SEC. 104. HEALTH PROFESSIONS WORKFORCE DEVELOP-**
7 **MENT.**

8 (a) IN GENERAL.—Part E of title VII of the Public
9 Health Service Act (42 U.S.C. 294n et seq.) is amended—
10 (1) in the part heading to read as follows:

11 **“PART E—HEALTH PROFESSIONS WORKFORCE**
12 **DEVELOPMENT”;**

13 (2) by redesignating section 776 (42 U.S.C.
14 294n) as section 761; and

15 (3) by striking sections 777 and 778 (42 U.S.C.
16 294o and 294p) and inserting the following new sec-
17 tion:

18 **“SEC. 762. HEALTH PROFESSIONS WORKFORCE DEVELOP-**
19 **MENT.**

20 “(a) IN GENERAL.—The Secretary may award grants
21 to and enter into contracts with eligible entities for
22 projects to strengthen capacity for health professions edu-
23 cation and practice.

24 “(b) ELIGIBLE APPLICANTS.—Applicants eligible to
25 obtain funds under subsection (a) shall include schools of
26 medicine, osteopathic medicine, dentistry, veterinary medi-

1 cine, pharmacy, podiatric medicine, chiropractic medicine,
 2 optometry, public health, or allied health, graduate pro-
 3 grams in mental health practice, physician assistant train-
 4 ing programs, and other public and nonprofit private enti-
 5 ties.

6 “(c) PRIORITY AREAS.—In awarding grants or con-
 7 tracts under subsection (a), the Secretary shall give prior-
 8 ity to entities that will use amounts provided under such
 9 grants or contracts to enhance the education of health pro-
 10 fessionals for purposes of—

11 “(1) providing care for underserved populations
 12 and other high-risk groups;

13 “(2) increasing the number of individuals who
 14 are pursuing a course of study in a health profes-
 15 sions field in which there is a severe shortage of
 16 health professionals;

17 “(3) conducting health professions research and
 18 data collection; and

19 “(4) carrying out other activities in areas deter-
 20 mined appropriate by the Secretary.

21 “(d) AUTHORIZATION OF APPROPRIATIONS.—

22 “(1) IN GENERAL.—There are authorized to be
 23 appropriated to carry out this section, \$16,000,000
 24 for fiscal year 1996, and such sums as may be nec-

1 essary for each of the fiscal years 1997 through
2 1999.

3 “(2) RESERVATION.—Of the amounts appro-
4 priated under subsection (a) for a fiscal year, the
5 Secretary shall reserve not less than \$2,000,000 for
6 conducting health professions research and for car-
7 rying out data collection and analysis in accordance
8 with section 792.”.

9 (b) HEALTH PROFESSIONS DATA.—The second sen-
10 tence of section 792(a) of the Public Health Service Act
11 (42 U.S.C. 295k(a)) is amended—

12 (1) by striking “is authorized to” and inserting
13 “shall”; and

14 (2) by inserting “clinical social workers,” after
15 “clinical psychologists,”.

16 (c) COUNCIL ON GRADUATE MEDICAL EDUCATION.—
17 Section 301 of the Health Professions Education Exten-
18 sion Amendments of 1992 (Public Law 102-408) is
19 amended—

20 (1) in subsection (j), by striking “1995” and
21 inserting “1999”;

22 (2) in subsection (k), by striking “1995” and
23 inserting “1999”;

24 (3) by adding at the end thereof the following
25 new subsection:

1 “(l) FUNDING.—Amounts otherwise appropriated
2 under this title may be utilized by the Secretary to support
3 the activities of the Council.”;

4 (4) by transferring such section to part E of
5 title VII of the Public Health Service Act (as
6 amended by subsection (a));

7 (5) by redesignating such section as section
8 763; and

9 (6) by inserting such section after section 762.

10 **SEC. 105. GENERAL PROVISIONS.**

11 (a) IN GENERAL.—

12 (1) Part F of title VII of the Public Health
13 Service Act (42 U.S.C. 295 et seq.) is repealed.

14 (2) Part G of title VII of the Public Health
15 Service Act (42 U.S.C. 295j et seq.) is amended—

16 (A) by redesignating such part as part F;

17 (B) in section 791 (42 U.S.C. 295j)—

18 (i) by striking subsection (b); and

19 (ii) redesignating subsection (c) as
20 subsection (b);

21 (C) by repealing section 793 (42 U.S.C.
22 295l);

23 (D) by repealing section 798;

24 (E) by redesignating section 799 as section
25 799B; and

1 (F) by inserting after section 794, the fol-
2 lowing new sections:

3 **“SEC. 796. APPLICATION.**

4 “(a) IN GENERAL.—To be eligible to receive a grant
5 or contract under this title, an eligible entity shall prepare
6 and submit to the Secretary an application that meets the
7 requirements of this section, at such time, in such manner,
8 and containing such information as the Secretary may re-
9 quire.

10 “(b) PLAN.—An application submitted under this
11 section shall contain the plan of the applicant for carrying
12 out a project with amounts received under this title. Such
13 plan shall be consistent with relevant Federal, State, or
14 regional program plans.

15 “(c) PERFORMANCE OUTCOME STANDARDS.—An ap-
16 plication submitted under this section shall contain a spec-
17 ification by the applicant entity of performance outcome
18 standards that the project to be funded under the grant
19 or contract will be measured against. Such standards shall
20 address relevant health workforce needs that the project
21 will meet. The recipient of a grant or contract under this
22 section shall meet the standards set forth in the grant or
23 contract application.

24 “(d) LINKAGES.—An application submitted under
25 this section shall contain a description of the linkages with

1 relevant educational and health care entities, including
2 training programs for other health professionals as appro-
3 priate, that the project to be funded under the grant or
4 contract will establish.

5 **“SEC. 797. USE OF FUNDS.**

6 “(a) IN GENERAL.—Amounts provided under a grant
7 or contract awarded under this title may be used for train-
8 ing program development and support, faculty develop-
9 ment, model demonstrations, trainee support including
10 tuition, books, program fees and reasonable living ex-
11 penses during the period of training, technical assistance,
12 workforce analysis, and dissemination of information, as
13 appropriate to meet recognized health workforce objec-
14 tives, in accordance with this title.

15 “(b) MAINTENANCE OF EFFORT.—With respect to
16 activities for which a grant awarded under this title is to
17 be expended, the entity shall agree to maintain expendi-
18 tures of non-Federal amounts for such activities at a level
19 that is not less than the level of such expenditures main-
20 tained by the entity for the fiscal year preceding the fiscal
21 year for which the entity receives such a grant.

22 **“SEC. 798. MATCHING REQUIREMENT.**

23 “The Secretary may require that an entity that ap-
24 plies for a grant or contract under this title provide non-
25 Federal matching funds, as appropriate, to ensure the in-

stitutional commitment of the entity to the projects funded under the grant. As determined by the Secretary, such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

“SEC. 799. GENERALLY APPLICABLE PROVISIONS.

“(a) AWARDING OF GRANTS AND CONTRACTS.—The Secretary shall ensure that grants and contracts under this title are awarded on a competitive basis, as appropriate, to carry out innovative demonstration projects or provide for strategic workforce supplementation activities as needed to meet health workforce goals and in accordance with this title. Contracts may be entered into under this title with public or private entities as may be necessary.

“(b) INFORMATION REQUIREMENTS.—Recipients of grants and contracts under this title shall meet information requirements as specified by the Secretary.

“(c) TRAINING PROGRAMS.—Training programs conducted with amounts received under this title shall meet applicable accreditation and quality standards.

“(d) DURATION OF ASSISTANCE.—

“(1) IN GENERAL.—Subject to paragraph (2), in the case of an award to an entity of a grant, co-

1 operative agreement, or contract under this title, the
2 period during which payments are made to the en-
3 tity under the award may not exceed 5 years. The
4 provision of payments under the award shall be sub-
5 ject to annual approval by the Secretary of the pay-
6 ments and subject to the availability of appropria-
7 tions for the fiscal year involved to make the pay-
8 ments. This paragraph may not be construed as lim-
9 iting the number of awards under the program in-
10 volved that may be made to the entity.

11 “(2) LIMITATION.—In the case of an award to
12 an entity of a grant, cooperative agreement, or con-
13 tract under this title, paragraph (1) shall apply only
14 to the extent not inconsistent with any other provi-
15 sion of this title that relates to the period during
16 which payments may be made under the award.

17 “(e) PEER REVIEW REGARDING CERTAIN PRO-
18 GRAMS.—Each application for a grant under this title, ex-
19 cept any scholarship or loan program, including those
20 under sections 701, 721, or 723, shall be submitted to a
21 peer review group for an evaluation of the merits of the
22 proposals made in the application. The Secretary may not
23 approve such an application unless a peer review group
24 has recommended the application for approval. Each peer
25 review group under this subsection shall be composed prin-

1 cipally of individuals who are not officers or employees of
 2 the Federal Government. This subsection shall be carried
 3 out by the Secretary acting through the Administrator of
 4 the Health Resources and Services Administration.

5 “(f) PREFERENCE OR PRIORITY CONSIDERATIONS.—
 6 In considering a preference or priority for funding which
 7 is based on outcome measures for an eligible entity under
 8 this title, the Secretary may also consider the future abil-
 9 ity of the eligible entity to meet the outcome preference
 10 or priority through improvements in the eligible entity’s
 11 program design.

12 **“SEC. 799A. TECHNICAL ASSISTANCE.**

13 “Funds appropriated under this title may be used by
 14 the Secretary to provide technical assistance in relation
 15 to any of the authorities under this title.”.

16 **SEC. 106. PREFERENCE IN CERTAIN PROGRAMS.**

17 (a) IN GENERAL.—Section 791 of the Public Health
 18 Service Act (42 U.S.C. 295j), as amended by section
 19 105(a)(2)(B), is further amended by adding at the end
 20 thereof the following subsection:

21 “(c) EXCEPTIONS FOR NEW PROGRAMS.—

22 “(1) IN GENERAL.—To permit new programs to
 23 compete equitably for funding under this section,
 24 those new programs that meet the criteria described

1 in paragraph (3) shall qualify for a funding pref-
2 erence under this section.

3 “(2) DEFINITION.—As used in this subsection,
4 the term ‘new program’ means any program that
5 has graduated less than three classes. Upon grad-
6 uating at least three classes, a program shall have
7 the capability to provide the information necessary
8 to qualify the program for the general funding pref-
9 erences described in subsection (a).

10 “(3) CRITERIA.—The criteria referred to in
11 paragraph (1) are the following:

12 “(A) The mission statement of the pro-
13 gram identifies a specific purpose of the pro-
14 gram as being the preparation of health profes-
15 sionals to serve underserved populations.

16 “(B) The curriculum of the program in-
17 cludes content which will help to prepare practi-
18 tioners to serve underserved populations.

19 “(C) Substantial clinical training experi-
20 ence is required under the program in medically
21 underserved communities.

22 “(D) A minimum of 20 percent of the clin-
23 ical faculty of the program spend at least 50
24 percent of their time providing or supervising
25 care in medically underserved communities.

1 “(E) The entire program or a substantial
2 portion of the program is physically located in
3 a medically underserved community.

4 “(F) Student assistance, which is linked to
5 service in medically underserved communities
6 following graduation, is available to the stu-
7 dents in the program.

8 “(G) The program provides a placement
9 mechanism for deploying graduates to medically
10 underserved communities.”.

11 (b) CONFORMING AMENDMENTS.—Section 791(a) of
12 the Public Health Service Act (42 U.S.C. 295j(a)) is
13 amended—

14 (1) in paragraph (1), by striking “sections 747”
15 and all that follows through “767” and inserting
16 “sections 747 and 750”; and

17 (2) in paragraph (2), by striking “under section
18 798(a)”.

19 **SEC. 107. DEFINITIONS.**

20 (a) PROFESSIONAL PSYCHOLOGY.—Section
21 799B(1)(B) of the Public Health Service Act (42 U.S.C.
22 295p(1)(B)) (as so redesignated by section 105(a)(2)(E))
23 is amended by striking “program in clinical psychology”
24 and inserting “graduate programs in professional psychol-
25 ogy”.

1 (b) MEDICALLY UNDERSERVED COMMUNITY.—Sec-
 2 tion 799B(6) of the Public Health Service Act (42 U.S.C.
 3 295p(6)) (as so redesignated by section 105(a)(2)(E)) is
 4 amended—

5 (1) in subparagraph (B), by striking “or” at
 6 the end thereof;

7 (2) in subparagraph (C), by striking the period
 8 and inserting a semicolon; and

9 (3) by adding at the end the following new sub-
 10 paragraphs:

11 “(D) is a State or local health department
 12 that has a severe shortage of public health per-
 13 sonnel as determined under criteria established
 14 by the Secretary;

15 “(E) has ambulatory practice sites des-
 16 ignated by State Governors as shortage areas or
 17 medically underserved communities for purposes
 18 of State scholarships or loan repayment or re-
 19 lated programs; or

20 “(F) has practices or facilities in which not
 21 less than 50 percent of the patients are recipi-
 22 ents of aid under title XIX of the Social Secu-
 23 rity Act or eligible and uninsured.”.

24 (c) PROGRAMS FOR THE TRAINING OF PHYSICIAN
 25 ASSISTANTS.—Paragraph (3) of section 799B of the Pub-

1 lic Health Service Act (42 U.S.C. 295p) (as so redesign-
2 nated by section 105(a)(2)(E)) is amended to read as fol-
3 lows:

4 “(3) The term ‘program for the training of phy-
5 sician assistants’ means an educational program
6 that—

7 “(A) has as its objective the education of
8 individuals who will, upon completion of their
9 studies in the program, be qualified to provide
10 primary care under the supervision of a physi-
11 cian;

12 “(B) extends for at least one academic
13 year and consists of—

14 “(i) supervised clinical practice; and

15 “(ii) at least four months (in the ag-
16 gregate) of classroom instruction, directed
17 toward preparing students to deliver health
18 care;

19 “(C) has an enrollment of not less than
20 eight students; and

21 “(D) trains students in primary care, dis-
22 ease prevention, health promotion, geriatric
23 medicine, and home health care.”.

1 **SEC. 108. SAVINGS PROVISION.**

2 In the case of any authority for making awards of
 3 grants or contracts that is terminated by the amendments
 4 made by this subtitle, the Secretary of Health and Human
 5 Services may, notwithstanding the termination of the au-
 6 thority, continue in effect any grant or contract made
 7 under the authority that is in effect on the day before the
 8 date of the enactment of this Act, subject to the duration
 9 of any such grant or contract not exceeding the period
 10 determined by the Secretary in first approving such finan-
 11 cial assistance, or in approving the most recent request
 12 made (before the date of such enactment) for continuation
 13 of such assistance, as the case may be.

14 **Subtitle B—Nursing Education**

15 **SEC. 121. SHORT TITLE.**

16 This title may be cited as the “Nursing Education
 17 Consolidation and Reauthorization Act of 1996”.

18 **SEC. 122. PURPOSE.**

19 It is the purpose of this title to restructure the nurse
 20 education authorities of title VIII of the Public Health
 21 Service Act to permit a comprehensive, flexible, and effec-
 22 tive approach to Federal support for nursing workforce
 23 development.

24 **SEC. 123. AMENDMENTS TO PUBLIC HEALTH SERVICE ACT.**

25 Title VIII of the Public Health Service Act (42
 26 U.S.C. 296k et seq.) is amended—

1 (1) by striking the title heading and all that fol-
 2 lows except for subparts II and III of part B and
 3 section 855; and inserting the following:

4 **“TITLE VIII—NURSING**
 5 **WORKFORCE DEVELOPMENT”;**

6 (2) by redesignating subpart III of part B as
 7 subpart II;

8 (3) in subpart II of part B, by striking the sub-
 9 part heading and inserting the following:

10 **“PART E—STUDENT LOANS**

11 **“Subpart I—General Program”;**

12 (4) by striking section 837;

13 (5) by inserting after the title heading the fol-
 14 lowing new parts:

15 **“PART A—GENERAL PROVISIONS**

16 **“SEC. 801. DEFINITIONS.**

17 “As used in this title:

18 “(1) ELIGIBLE ENTITIES.—The term ‘eligible
 19 entities’ means schools of nursing, nursing centers,
 20 State or local governments, and other public or non-
 21 profit private entities determined appropriate by the
 22 Secretary that submit to the Secretary an applica-
 23 tion in accordance with section 802.

1 “(2) SCHOOL OF NURSING.—The term ‘school
2 of nursing’ means a collegiate, associate degree, or
3 diploma school of nursing in a State.

4 “(3) COLLEGIATE SCHOOL OF NURSING.—The
5 term ‘collegiate school of nursing’ means a depart-
6 ment, division, or other administrative unit in a col-
7 lege or university which provides primarily or exclu-
8 sively a program of education in professional nursing
9 and related subjects leading to the degree of bach-
10 elor of arts, bachelor of science, bachelor of nursing,
11 or to an equivalent degree, or to a graduate degree
12 in nursing, and including advanced training related
13 to such program of education provided by such
14 school, but only if such program, or such unit, col-
15 lege or university is accredited.

16 “(4) ASSOCIATE DEGREE SCHOOL OF NURS-
17 ING.—The term ‘associate degree school of nursing’
18 means a department, division, or other administra-
19 tive unit in a junior college, community college, col-
20 lege, or university which provides primarily or exclu-
21 sively a two-year program of education in profes-
22 sional nursing and allied subjects leading to an asso-
23 ciate degree in nursing or to an equivalent degree,
24 but only if such program, or such unit, college, or
25 university is accredited.

1 “(5) DIPLOMA SCHOOL OF NURSING.—The
 2 term ‘diploma school of nursing’ means a school af-
 3 filiated with a hospital or university, or an independ-
 4 ent school, which provides primarily or exclusively a
 5 program of education in professional nursing and al-
 6 lied subjects leading to a diploma or to equivalent
 7 indicia that such program has been satisfactorily
 8 completed, but only if such program, or such affili-
 9 ated school or such hospital or university or such
 10 independent school is accredited.

11 “(6) ACCREDITED.—

12 “(A) IN GENERAL.—Except as provided in
 13 subparagraph (B), the term ‘accredited’ when
 14 applied to any program of nurse education
 15 means a program accredited by a recognized
 16 body or bodies, or by a State agency, approved
 17 for such purpose by the Secretary of Education
 18 and when applied to a hospital, school, college,
 19 or university (or a unit thereof) means a hos-
 20 pital, school, college, or university (or a unit
 21 thereof) which is accredited by a recognized
 22 body or bodies, or by a State agency, approved
 23 for such purpose by the Secretary of Education.
 24 For the purpose of this paragraph, the Sec-
 25 retary of Education shall publish a list of recog-

1 nized accrediting bodies, and of State agencies,
2 which the Secretary of Education determines to
3 be reliable authority as to the quality of edu-
4 cation offered.

5 “(B) NEW PROGRAMS.—A new school of
6 nursing that, by reason of an insufficient period
7 of operation, is not, at the time of the submis-
8 sion of an application for a grant or contract
9 under this title, eligible for accreditation by
10 such a recognized body or bodies or State agen-
11 cy, shall be deemed accredited for purposes of
12 this title if the Secretary of Education finds,
13 after consultation with the appropriate accredi-
14 tation body or bodies, that there is reasonable
15 assurance that the school will meet the accredi-
16 tation standards of such body or bodies prior to
17 the beginning of the academic year following
18 the normal graduation date of students of the
19 first entering class in such school.

20 “(7) NONPROFIT.—The term ‘nonprofit’ as ap-
21 plied to any school, agency, organization, or institu-
22 tion means one which is a corporation or association,
23 or is owned and operated by one or more corpora-
24 tions or associations, no part of the net earnings of

1 which inures, or may lawfully inure, to the benefit
2 of any private shareholder or individual.

3 “(8) STATE.—The term ‘State’ means a State,
4 the Commonwealth of Puerto Rico, the District of
5 Columbia, the Commonwealth of the Northern Mari-
6 ana Islands, Guam, American Samoa, the Virgin Is-
7 lands, or the Trust Territory of the Pacific Islands.

8 **“SEC. 802. APPLICATION.**

9 “(a) IN GENERAL.—To be eligible to receive a grant
10 or contract under this title, an eligible entity shall prepare
11 and submit to the Secretary an application that meets the
12 requirements of this section, at such time, in such manner,
13 and containing such information as the Secretary may re-
14 quire.

15 “(b) PLAN.—An application submitted under this
16 section shall contain the plan of the applicant for carrying
17 out a project with amounts received under this title. Such
18 plan shall be consistent with relevant Federal, State, or
19 regional program plans.

20 “(c) PERFORMANCE OUTCOME STANDARDS.—An ap-
21 plication submitted under this section shall contain a spec-
22 ification by the applicant entity of performance outcome
23 standards that the project to be funded under the grant
24 or contract will be measured against. Such standards shall
25 address relevant national nursing needs that the project

1 will meet. The recipient of a grant or contract under this
2 section shall meet the standards set forth in the grant or
3 contract application.

4 “(d) LINKAGES.—An application submitted under
5 this section shall contain a description of the linkages with
6 relevant educational and health care entities, including
7 training programs for other health professionals as appro-
8 priate, that the project to be funded under the grant or
9 contract will establish.

10 **“SEC. 803. USE OF FUNDS.**

11 “(a) IN GENERAL.—Amounts provided under a grant
12 or contract awarded under this title may be used for train-
13 ing program development and support, faculty develop-
14 ment, model demonstrations, trainee support including
15 tuition, books, program fees and reasonable living ex-
16 penses during the period of training, technical assistance,
17 workforce analysis, and dissemination of information, as
18 appropriate to meet recognized nursing objectives, in ac-
19 cordance with this title.

20 “(b) MAINTENANCE OF EFFORT.—With respect to
21 activities for which a grant awarded under this title is to
22 be expended, the entity shall agree to maintain expendi-
23 tures of non-Federal amounts for such activities at a level
24 that is not less than the level of such expenditures main-

1 tained by the entity for the fiscal year preceding the fiscal
 2 year for which the entity receives such a grant.

3 **“SEC. 804. MATCHING REQUIREMENT.**

4 “The Secretary may require that an entity that ap-
 5 plies for a grant or contract under this title provide non-
 6 Federal matching funds, as appropriate, to ensure the in-
 7 stitutional commitment of the entity to the projects funded
 8 under the grant. Such non-Federal matching funds may
 9 be provided directly or through donations from public or
 10 private entities and may be in cash or in-kind, fairly evalu-
 11 ated, including plant, equipment, or services.

12 **“SEC. 805. PREFERENCE.**

13 “In awarding grants or contracts under this title, the
 14 Secretary shall give preference to applicants with projects
 15 that will substantially benefit rural or underserved popu-
 16 lations, or help meet public health nursing needs in State
 17 or local health departments.

18 **“SEC. 806. GENERALLY APPLICABLE PROVISIONS.**

19 “(a) AWARDING OF GRANTS AND CONTRACTS.—The
 20 Secretary shall ensure that grants and contracts under
 21 this title are awarded on a competitive basis, as appro-
 22 priate, to carry out innovative demonstration projects or
 23 provide for strategic workforce supplementation activities
 24 as needed to meet national nursing service goals and in
 25 accordance with this title. Contracts may be entered into

1 under this title with public or private entities as deter-
2 mined necessary by the Secretary.

3 “(b) INFORMATION REQUIREMENTS.—Recipients of
4 grants and contracts under this title shall meet informa-
5 tion requirements as specified by the Secretary.

6 “(c) TRAINING PROGRAMS.—Training programs con-
7 ducted with amounts received under this title shall meet
8 applicable accreditation and quality standards.

9 “(d) DURATION OF ASSISTANCE.—

10 “(1) IN GENERAL.—Subject to paragraph (2),
11 in the case of an award to an entity of a grant, co-
12 operative agreement, or contract under this title, the
13 period during which payments are made to the en-
14 tity under the award may not exceed 5 years. The
15 provision of payments under the award shall be sub-
16 ject to annual approval by the Secretary of the pay-
17 ments and subject to the availability of appropria-
18 tions for the fiscal year involved to make the pay-
19 ments. This paragraph may not be construed as lim-
20 iting the number of awards under the program in-
21 volved that may be made to the entity.

22 “(2) LIMITATION.—In the case of an award to
23 an entity of a grant, cooperative agreement, or con-
24 tract under this title, paragraph (1) shall apply only
25 to the extent not inconsistent with any other provi-

1 sion of this title that relates to the period during
2 which payments may be made under the award.

3 “(e) PEER REVIEW REGARDING CERTAIN PRO-
4 GRAMS.—Each application for a grant under this title, ex-
5 cept advanced nurse traineeship grants under section
6 811(a)(2), shall be submitted to a peer review group for
7 an evaluation of the merits of the proposals made in the
8 application. The Secretary may not approve such an appli-
9 cation unless a peer review group has recommended the
10 application for approval. Each peer review group under
11 this subsection shall be composed principally of individuals
12 who are not officers or employees of the Federal Govern-
13 ment. This subsection shall be carried out by the Secretary
14 acting through the Administrator of the Health Resources
15 and Services Administration.

16 **“SEC. 807. NATIONAL ADVISORY COUNCIL ON NURSE EDU-
17 CATION AND PRACTICE.**

18 “(a) ESTABLISHMENT.—There is hereby established
19 a National Advisory Council on Nurse Education and
20 Practice (in this section referred to as the ‘Council’), con-
21 sisting of the Secretary or the delegate of the Secretary
22 (who shall be an ex officio member and shall serve as the
23 Chairperson), and 15 members appointed by the Secretary
24 without regard to the Federal civil service laws, of which—

1 “(1) 2 shall be selected from full-time students
2 enrolled in schools of nursing;

3 “(2) 3 shall be selected from the general public;

4 “(3) 2 shall be selected from practicing profes-
5 sional nurses; and

6 “(4) 8 shall be selected from among the leading
7 authorities in the various fields of nursing, higher,
8 and secondary education, and from representatives
9 of hospitals and other institutions and organizations
10 which provide nursing services.

11 A majority of the members shall be nurses. The student-
12 members of the Council shall be appointed for terms of
13 one year and shall be eligible for reappointment to the
14 Council.

15 “(b) DUTIES.—The Council shall advise the Sec-
16 retary in the preparation of general regulations and with
17 respect to policy matters arising in the administration of
18 this title, including the range of issues relating to nurse
19 supply, education and practice improvement.

20 “(c) FUNDING.—Amounts appropriated under this
21 title may be utilized by the Secretary to support the nurse
22 education and practice activities of the Council.

1 **“SEC. 808. TECHNICAL ASSISTANCE.**

2 “Funds appropriated under this title may be used by
3 the Secretary to provide technical assistance in relation
4 to any of the authorities under this title.

5 **“SEC. 809. RECOVERY FOR CONSTRUCTION ASSISTANCE.**

6 “(a) IN GENERAL.—If at any time within 20 years
7 (or within such shorter period as the Secretary may pre-
8 scribe by regulation for an interim facility) after the com-
9 pletion of construction of a facility with respect to which
10 funds have been paid under subpart I of part A (as such
11 subpart was in effect on September 30, 1985)—

12 “(1) the owner of the facility ceases to be a
13 public or nonprofit school;

14 “(2) the facility ceases to be used for the train-
15 ing purposes for which it was constructed; or

16 “(3) the facility is used for sectarian instruction
17 or as a place for religious worship,

18 the United States shall be entitled to recover from the
19 owner of the facility the base amount prescribed by sub-
20 section (c)(1) plus the interest (if any) prescribed by sub-
21 section (c)(2).

22 “(b) NOTICE OF CHANGE IN STATUS.—The owner of
23 a facility which ceases to be a public or nonprofit school
24 as described in paragraph (1) of subsection (a), or the
25 owner of a facility the use of which changes as described
26 in paragraph (2) or (3) of such subsection shall provide

1 the Secretary written notice of such cessation or change
2 of use within 10 days after the date on which such ces-
3 sation or change of use occurs or within 30 days after
4 the date of enactment of the Health Professions Training
5 Assistance Act of 1985, whichever is later.

6 “(c) AMOUNT OF RECOVERY.—

7 “(1) BASE AMOUNT.—The base amount that
8 the United States is entitled to recover under sub-
9 section (a) is the amount bearing the same ratio to
10 the then value (as determined by the agreement of
11 the parties or in an action brought in the district
12 court of the United States for the district in which
13 the facility is situated) of the facility as the amount
14 of the Federal participation bore to the cost of the
15 construction.

16 “(2) INTEREST.—

17 “(A) IN GENERAL.—The interest that the
18 United States is entitled to recover under sub-
19 section (a) is the interest for the period (if any)
20 described in subparagraph (B) at a rate (deter-
21 mined by the Secretary) based on the average
22 of the bond equivalent rates of 91-day Treasury
23 bills auctioned during such period.

1 “(B) TIME PERIOD.—The period referred
2 to in subparagraph (A) is the period begin-
3 ning—

4 “(i) if notice is provided as prescribed
5 by subsection (b), 191 days after the date
6 on which the owner of the facility ceases to
7 be a public or nonprofit school as described
8 in paragraph (1) of subsection (a), or 191
9 days after the date on which the use of the
10 facility changes as described in paragraph
11 (2) or (3) of such subsection; or

12 “(ii) if notice is not provided as pre-
13 scribed by subsection (b), 11 days after the
14 date on which such cessation or change of
15 use occurs,

16 and ending on the date the amount the United
17 States is entitled to recover is collected.

18 “(d) WAIVER OF RIGHTS.—The Secretary may waive
19 the recovery rights of the United States under subsection
20 (a)(2) with respect to a facility (under such conditions as
21 the Secretary may establish by regulation) if the Secretary
22 determines that there is good cause for waiving such
23 rights.

1 “(e) LIMITATION ON LIENS.—The right of recovery
 2 of the United States under subsection (a) shall not, prior
 3 to judgment, constitute a lien on any facility.

4 **“PART B—NURSE PRACTITIONERS, NURSE MID-**
 5 **WIVES, AND OTHER ADVANCED PRACTICE**
 6 **NURSES**

7 **“SEC. 811. ADVANCED PRACTICE NURSING GRANTS.**

8 “(a) IN GENERAL.—The Secretary may award grants
 9 to and enter into contracts with eligible entities to meet
 10 the costs of—

11 “(1) projects that support the enhancement of
 12 advanced practice nursing education and practice;
 13 and

14 “(2) traineeships for individuals in advanced
 15 practice nursing programs.

16 “(b) DEFINITION OF ADVANCED PRACTICE
 17 NURSES.—For purposes of this section, the term ‘ad-
 18 vanced practice nurses’ means nurses trained in advanced
 19 degree programs including individuals in combined R.N./
 20 Master’s degree programs, post-nursing master’s certifi-
 21 cate programs, or, in the case of nurse midwives or nurse
 22 anesthetists, in certificate programs in existence on the
 23 date that is one day prior to the date of enactment of
 24 this section, to serve as nurse practitioners, nurse mid-
 25 wives, nurse anesthetists, nurse educators, or public health

1 nurses, or in other nurse specialties determined by the
 2 Secretary to require advanced education.

3 “(c) AUTHORIZED NURSE PRACTITIONER AND
 4 NURSE-MIDWIFERY PROGRAMS.—Nurse practitioner and
 5 nurse midwifery programs eligible for support under this
 6 section are educational programs for registered nurses (ir-
 7 respective of the type of school of nursing in which the
 8 nurses received their training) that—

9 “(1) meet guidelines prescribed by the Sec-
 10 retary; and

11 “(2) have as their objective the education of
 12 nurses who will upon completion of their studies in
 13 such programs, be qualified to effectively provide
 14 primary health care, including primary health care
 15 in homes and in ambulatory care facilities, long-term
 16 care facilities and other health care institutions.

17 “(d) OTHER AUTHORIZED EDUCATIONAL PRO-
 18 GRAMS.—The Secretary shall prescribe guidelines as ap-
 19 propriate for other advanced practice nurse education pro-
 20 grams eligible for support under this section.

21 “(e) TRAINEESHIPS.—

22 “(1) IN GENERAL.—The Secretary may not
 23 award a grant to an applicant under subsection (a)
 24 unless the applicant involved agrees that

6 “(B) the reasonable living expenses of the
7 individual during the period for which the
8 traineeship is provided.

“(3) SPECIAL CONSIDERATION.—In making awards of grants and contracts under subsection (a)(2), the Secretary shall give special consideration to an eligible entity that agrees to expend the award to train advanced practice nurses who will practice in health professional shortage areas designated under section 332.

22 **“SEC. 821. WORKFORCE DIVERSITY GRANTS.**

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1 opportunities for individuals who are from disadvantaged
2 backgrounds (including racial and ethnic minorities under-
3 represented among registered nurses) by providing stu-
4 dent scholarships or stipends, pre-entry preparation, and
5 retention activities.

6 “(b) GUIDANCE.—In carrying out subsection (a), the
7 Secretary shall take into consideration the recommenda-
8 tions of the First and Second Invitational Congresses for
9 Minority Nurse Leaders on ‘Caring for the Emerging Ma-
10 jority,’ in 1992 and 1993, and consult with nursing asso-
11 ciations including the American Nurses Association, the
12 National League for Nursing, the American Association
13 of Colleges of Nursing, the Black Nurses Association, the
14 Association of Hispanic Nurses, the Association of Asian
15 American and Pacific Islander Nurses, the National
16 Nurses Association, and the Native American Indian and
17 Alaskan Nurses Association.

18 “(c) REQUIRED INFORMATION AND CONDITIONS FOR
19 AWARD RECIPIENTS.—

20 “(1) IN GENERAL.—Recipients of awards under
21 this section may be required, where requested, to re-
22 port to the Secretary concerning the annual admis-
23 sion, retention, and graduation rates for ethnic and
24 racial minorities in the school or schools involved in
25 the projects.

1 “(2) FALLING RATES.—If any of the rates re-
 2 ported under paragraph (1) fall below the average of
 3 the two previous years, the grant or contract recipi-
 4 ent shall provide the Secretary with plans for imme-
 5 diately improving such rates.

6 “(3) INELIGIBILITY.—A recipient described in
 7 paragraph (2) shall be ineligible for continued fund-
 8 ing under this section if the plan of the recipient
 9 fails to improve the rates within the 1-year period
 10 beginning on the date such plan is implemented.

11 **“PART D—STRENGTHENING CAPACITY FOR**
 12 **BASIC NURSE EDUCATION AND PRACTICE**

13 **“SEC. 831. BASIC NURSE EDUCATION AND PRACTICE**
 14 **GRANTS.**

15 “(a) IN GENERAL.—The Secretary may award grants
 16 to and enter into contracts with eligible entities for
 17 projects to strengthen capacity for basic nurse education
 18 and practice.

19 “(b) PRIORITY AREAS.—In awarding grants or con-
 20 tracts under this section the Secretary shall give priority
 21 to entities that will use amounts provided under such a
 22 grant or contract to enhance the education mix and utili-
 23 zation of the basic nursing workforce by strengthening
 24 programs that provide basic nurse education for purposes
 25 of—

1 “(1) improving nursing services in schools and
2 other community settings;

3 “(2) providing care for underserved populations
4 and other high-risk groups such as the elderly, indi-
5 viduals with HIV–AIDS, substance abusers, home-
6 less, and battered women;

7 “(3) providing managed care, quality improve-
8 ment, and other skills needed under new systems of
9 organized health care systems;

10 “(4) developing cultural competencies among
11 nurses;

12 “(5) providing emergency health services;

13 “(6) promoting career mobility for nursing per-
14 sonnel in a variety of training settings and cross
15 training or specialty training among diverse popu-
16 lation groups; or

17 “(7) other priority areas as determined by the
18 Secretary.

19 **“PART F—AUTHORIZATION OF APPROPRIATIONS**

20 **“SEC. 841. AUTHORIZATION OF APPROPRIATIONS.**

21 “There are authorized to be appropriated to carry out
22 sections 811, 821, and 831, \$62,000,000 for fiscal year
23 1996, such sums as may be necessary in each of the fiscal
24 years 1997 and 1998, and \$59,000,000 for fiscal year
25 1999.”; and

1 (6) by redesignating section 855 as section 810,
 2 and transferring such section so as to appear after
 3 section 809 (as added by the amendment made by
 4 paragraph (5)).

5 **SEC. 124. SAVINGS PROVISION.**

6 In the case of any authority for making awards of
 7 grants or contracts that is terminated by the amendment
 8 made by section 123, the Secretary of Health and Human
 9 Services may, notwithstanding the termination of the au-
 10 thority, continue in effect any grant or contract made
 11 under the authority that is in effect on the day before the
 12 date of the enactment of this Act, subject to the duration
 13 of any such grant or contract not exceeding the period
 14 determined by the Secretary in first approving such finan-
 15 cial assistance, or in approving the most recent request
 16 made (before the date of such enactment) for continuation
 17 of such assistance, as the case may be.

18 **Subtitle C—Financial Assistance**

19 **PART 1—NATIONAL HEALTH SERVICE CORPS**

20 **FINANCIAL ASSISTANCE PROGRAMS**

21 **SEC. 131. GENERAL AMENDMENTS WITH RESPECT TO FED-**
 22 **ERALLY SUPPORTED LOANS.**

23 (a) LOAN REPAYMENT PROGRAM.—Section 338B of
 24 the Public Health Service Act (42 U.S.C. 2541-1) is
 25 amended—

1 (1) in subsection (a)—

2 (A) in the matter preceding paragraph (1),
3 by inserting “and public health disease preven-
4 tion and health promotion activities” before the
5 dash; and

6 (B) in paragraph (1), by striking “and
7 physician assistants” and inserting “physician
8 assistants, and public health professionals”;

9 (2) in subsection (b)(1)—

10 (A) in subparagraph (A), by inserting
11 “public health,” after “dentistry,”;

12 (B) in subparagraph (B), by inserting
13 “public health,” after “dentistry,”; and

14 (C) in subparagraph (C), by inserting
15 “public health,” after “dentistry,”;

16 (3) in subsection (c)(4)—

17 (A) in subparagraph (A), by inserting
18 “and schools of public health” after “profes-
19 sions schools”;

20 (B) in subparagraph (B)(i)—

21 (i) by inserting “or public health pro-
22 fessional” after “any health professional”;
23 and

1 (ii) by inserting “or public health dis-
 2 ease prevention and health promotion ac-
 3 tivities” before the period;

4 (C) in subparagraph (C)—

5 (i) by inserting “or public health dis-
 6 ease prevention and health promotion ac-
 7 tivities,” after “primary health services,”;

8 (ii) by inserting “or public health pro-
 9 fessions” after “health professions”; and

10 (iii) by inserting “or public health
 11 professionals” after “health professionals”
 12 each place that such occurs;

13 (4) in subsection (f)(1)(B)(iv), by inserting “or
 14 public health disease prevention and health pro-
 15 motion activities” after “primary health services”;

16 (5) in subsection (g)(2)(A)(iii)—

17 (A) by inserting “or public health profes-
 18 sional” after “the health professional”; and

19 (B) by inserting “or public health disease
 20 prevention and health promotion activities”
 21 after “primary health services”; and

22 (6) in subsection (i)(8), —

23 (A) by inserting “or public health profes-
 24 sionals” after “health professionals”; and

1 (B) by inserting “or public health disease
 2 prevention and health promotion activities”
 3 after “primary health services”.

4 (b) OBLIGATED SERVICE.—Section 338C(b)(5) of the
 5 Public Health Service Act (42 U.S.C. 254m(b)(5)) is
 6 amended—

7 (1) in subparagraph (A), by inserting “public
 8 health,” after “dentistry,”; and

9 (2) in subparagraph (E)—

10 (A) in clause (ii), by inserting “public
 11 health,” after “dentistry,”; and

12 (B) in clause (iii), by inserting “public
 13 health,” after “dentistry,”.

14 (c) AUTHORIZATION OF APPROPRIATIONS.—Section
 15 338H of the Public Health Service Act (42 U.S.C. 254q)
 16 is amended to read as follows:

17 **“SEC. 338H. AUTHORIZATION OF APPROPRIATIONS.**

18 “(a) AUTHORIZATION OF APPROPRIATIONS.—For the
 19 purpose of carrying out this subpart, there are authorized
 20 to be appropriated \$90,000,000 for fiscal year 1996 and
 21 such sums as may be necessary for each of the fiscal years
 22 1997 through 2000.

23 “(b) DISTRIBUTION OF AMOUNTS.—The Secretary
 24 shall determine the most appropriate manner in which to
 25 allocate amounts appropriated under subsection (a) be-

1 tween the programs authorized in chapter 1, chapter 2,
 2 and chapter 3. In determining the manner in which to allo-
 3 cate such amounts, the Secretary shall give priority to
 4 funding State-based programs as appropriate under chap-
 5 ter 3. The Secretary shall distribute such amounts among
 6 the various programs in such chapters in a manner which
 7 furthers both Federal and State needs for health profes-
 8 sionals in underserved areas.”.

9 (d) GRANTS FOR LOAN REPAYMENT PROGRAM.—
 10 Section 338I of the Public Health Service Act (42 U.S.C.
 11 254q-1) is amended—

12 (1) in subsection (a)—

13 (A) in paragraph (1), by striking “in
 14 health professional shortage areas” and insert-
 15 ing “or public health disease prevention and
 16 health promotion activities in Federal health
 17 professional shortage areas or approved State
 18 designated health professional shortage areas”;

19 and

20 (B) in paragraph (2)—

21 (i) by inserting “or public health pro-
 22 fessionals” after “health professionals”;
 23 and

24 (ii) by striking “in health professional
 25 shortage areas” and inserting “or public

1 health disease prevention and health pro-
 2 motion activities in Federal health profes-
 3 sional shortage areas or approved State
 4 designated health professional shortage
 5 areas”;

6 (2) in subsection (c)—

7 (A) in paragraph (1)—

8 (i) in the paragraph heading, by strik-
 9 ing “FEDERAL” and inserting “FEDERAL
 10 OR APPROVED STATE”; and

11 (ii) by inserting before the period the
 12 following: “or approved State designated
 13 health professional shortage areas”;

14 (B) in paragraph (2), by inserting “or
 15 public health professionals” after “health pro-
 16 fessionals”;

17 (C) in paragraph (3)—

18 (i) in subparagraph (A)—

19 (I) in the matter preceding clause

20 (i), by inserting “or public health pro-
 21 fessionals” after “health profes-
 22 sionals”; and

23 (II) in clause (ii), by striking
 24 health”;

25 (ii) in subparagraph (B)—

1 (I) in the matter preceding clause
2 (i), by inserting “or public health pro-
3 fessional” after “health professional”;
4 and

5 (II) in clause (ii)—
6 (aa) by inserting “or public
7 health professional” after “the
8 health professional”; and

9 (bb) by striking “services in
10 a” and inserting “services or
11 public health disease prevention
12 and health promotion activities in
13 a Federal”; and

14 (D) by adding at the end thereof the fol-
15 lowing new paragraph:

16 “(4) PRIVATE PRACTICE.—

17 “(A) In carrying out the program operated
18 with a grant under subsection (a), a State may
19 waive the requirement of paragraph (1) regard-
20 ing the assignment of a health professional if,
21 subject to subparagraph (B), the health profes-
22 sional enters into an agreement with the State
23 to provide primary health services in a full-time
24 private clinical practice in a health professional
25 shortage area.

1 “(B) The Secretary may not make a grant
 2 under subsection (a) unless the State involved
 3 agrees that, if the State provides a waiver
 4 under subparagraph (A) for a health profes-
 5 sional, section 338D(b)(1) will apply to the
 6 agreement under such subparagraph between
 7 the State and the health professional to the
 8 same extent and in the same manner as such
 9 section applies to an agreement between the
 10 Secretary and a health professional regarding a
 11 full-time private clinical practice.”; and
 12 (3) in subsection (h), to read as follows:

13 “(h) DEFINITIONS.—Unless specifically provided oth-
 14 erwise, as used in this subpart and section 338F:

15 “(1) APPROVED STATE DESIGNATED HEALTH
 16 PROFESSIONAL SHORTAGE AREA.—The term ‘ap-
 17 proved State designated health professional shortage
 18 area’ means an area designated by the State as un-
 19 derserved using specific methodology and criteria to
 20 identify such areas. Such criteria and methodology
 21 shall be approved by the Secretary.

22 “(2) COMMUNITY ORGANIZATION.—The term
 23 ‘community organization’ means a public or non-
 24 profit private entity.

1 “(3) PRIMARY HEALTH CARE.—The term ‘pri-
 2 mary health care’ means health services regarding
 3 family medicine, general internal medicine, general
 4 pediatrics, dentistry, or may include obstetrics and
 5 gynecology, that are provided by physicians, dentists,
 6 certified nurse practitioners, certified nurse mid-
 7 wives, or physician assistants.

8 “(4) STATE.—The term ‘State’ means each of
 9 the several States and the District of Columbia.”.

10 (e) COMMUNITY SCHOLARSHIP PROGRAMS.—Section
 11 338L of the Public Health Service Act (42 U.S.C. 254t)
 12 is amended—

13 (1) in the section heading, by striking “dem-
 14 onstration grants to states for”;

15 (2) in subsection (a), by striking “health man-
 16 power shortage areas” and inserting “Federal health
 17 professional shortage areas and in approved State
 18 designated health professional shortage areas”;

19 (3) in subsection (c)—

20 (A) in the matter preceding paragraph (1),
 21 by striking “health manpower shortage areas”
 22 and inserting “Federal health professional
 23 shortage areas and in approved State des-
 24 ignated health professional shortage areas”;
 25 and

1 (B) in paragraph (2), by striking “health
 2 manpower shortage areas” and inserting “Fed-
 3 eral health professional shortage areas and in
 4 approved State designated health professional
 5 shortage areas”;

6 (4) in subsection (e)(1), by striking “health
 7 manpower shortage areas” and inserting “Federal
 8 health professional shortage areas and in approved
 9 State designated health professional shortage
 10 areas”;

11 (5) in subsection (f)(1)(A), by striking “health
 12 manpower shortage areas” and inserting “Federal
 13 health professional shortage areas and in approved
 14 State designated health professional shortage
 15 areas”;

16 (6) in subsection (g), by striking “health man-
 17 power shortage areas” each place that such appears
 18 and inserting “Federal health professional shortage
 19 areas and in approved State designated health pro-
 20 fessional shortage areas”; and

21 (7) by striking subsections (j) through (l).

22 **SEC. 132. RESTRUCTURING AND TECHNICAL AMENDMENTS.**

23 (a) REDESIGNATIONS.—Subpart III of part D of title
 24 III of the Public Health Service Act (42 U.S.C. 2541 et
 25 seq.) is amended—

1 (1) by redesignating sections 338J and 338K
 2 (42 U.S.C. 254s and 254t) as sections 338M and
 3 338N, respectively;

4 (2) by redesignating sections 338C through
 5 338H (42 U.S.C. 254m through 254q) as sections
 6 338G through 338L, respectively;

7 (3) by redesignating section 338I (as such sec-
 8 tion exists one day prior to the date of enactment
 9 of this Act) (42 U.S.C. 254r) as section 338E;

10 (4) by redesignating section 338L (as such sec-
 11 tion exists one day prior to the date of enactment
 12 of this Act) (42 U.S.C. 254u) as section 338F;

13 (b) CONSOLIDATION OF CERTAIN PROGRAMS.—Sub-
 14 part III of part D of title III of the Public Health Service
 15 Act (42 U.S.C. 254l et seq.) (as amended by subsection
 16 (a)) is further amended—

17 (1) by striking the subpart heading and insert-
 18 ing the following:

19 **“Subpart III—Federally Supported**
 20 **Scholarships and Loans**
 21 **“CHAPTER 1—NATIONAL HEALTH SERVICE**
 22 **CORPS SCHOLARSHIPS PROGRAMS**

23 (2) by redesignating section 338B as section
 24 338C;

1 (3) by inserting before section 338C (as so re-
 2 designated) the following:

3 **“CHAPTER 2—NATIONAL HEALTH SERVICE**
 4 **CORPS LOAN REPAYMENT PROGRAMS**
 5 **“Subchapter A—Loan Repayment Program”;**

6 and

7 (4) by inserting after section 338C (as so redesi-
 8 gnated) the following:

9 **“Subchapter B—Nursing Loan Repayment Program”.**

10 (c) TRANSFERS AND REDESIGNATIONS OF NURSING
 11 LOAN REPAYMENT PROGRAM.—Subpart II of part E of
 12 title VIII (42 U.S.C. 297n et seq.) (as so redesignated
 13 by section 123(3)) is amended—

14 (1) by striking the subpart heading;

15 (2) by transferring section 846 (42 U.S.C.
 16 297n) to subchapter B of chapter 2 of subpart III
 17 of part D of title III (as added by subsection (b)(4));
 18 and

19 (3) in section 846—

20 (A) by striking the section heading and in-
 21 serting the following:

22 **“SEC. 338D. NURSING LOAN REPAYMENT PROGRAM.”;**

23 (B) by striking subsection (d); and

24 (C) by striking subsection (g).

1 (d) TRANSFERS AND REDESIGNATIONS OF STATE
 2 LOAN REPAYMENT AND COMMUNITY SCHOLARSHIP PRO-
 3 GRAMS.—Subpart III of part D of title III of the Public
 4 Health Service Act (42 U.S.C. 254l et seq.) (as amended
 5 by subsections (a) through (c)) is further amended—

6 (1) by inserting after section 338D (as so
 7 transferred and redesignated by subsection (c)(3))
 8 the following:

9 **“CHAPTER 3—STATE LOAN REPAYMENT AND**
 10 **COMMUNITY SCHOLARSHIP PROGRAMS**

11 **“Subchapter A—State Loan Repayment Programs”;**

12 (2) by transferring section 338E (as so redesign-
 13 nated by subsection (a)(3)) to subchapter A of chap-
 14 ter 3 of such subpart (as added by paragraph (1));

15 (3) by inserting after section 338E (as trans-
 16 ferred by paragraph (2)) the following:

17 **“Subchapter B—Community Scholarship Programs”;**

18 (4) by transferring section 338F (as so redesign-
 19 nated by subsection (a)(4)) to subchapter B of chap-
 20 ter 3 of such subpart (as added by paragraph (3));
 21 and

22 (5) by inserting after section 338F (as trans-
 23 ferred by paragraph (4)) the following:

1 **“CHAPTER 4—GENERAL PROVISIONS”.**

2 (e) CLINICAL RESEARCHERS.—Paragraph (3) of sec-
3 tion 487E(a) of the Public Health Service Act (42 U.S.C.
4 288–5(a)(3)) is amended to read as follows:

5 “(3) APPLICABILITY OF CERTAIN PROVISIONS
6 REGARDING OBLIGATED SERVICE.—With respect to
7 the National Health Service Corps loan repayment
8 program established in subpart III of part D of title
9 III, the provisions of such subpart shall, except as
10 inconsistent with this section, apply to the program
11 established in subsection (a) in the same manner
12 and to the same extent as such provisions apply to
13 the National Health Service Corps loan repayment
14 programs.”.

15 **SEC. 133. DEFINITION OF UNDERSERVED AREAS.**

16 Section 332(a)(1) of the Public Health Service Act
17 (42 U.S.C. 254e(a)(1)) is amended in the first sentence—

18 (1) by striking “, or (C)” and inserting “, (C)”;

19 and

20 (2) by inserting before the period the following:

21 “, or (D) a State or local health department that
22 has a severe shortage of public health personnel as
23 determined under criteria established by the Sec-
24 retary”.

1 **SEC. 134. CONFORMING AMENDMENTS.**

2 Title III of the Public Health Service Act (42 U.S.C.
3 241 et seq.) is amended—

4 (1) in subparagraphs (A) and (B) of section
5 303(d)(4) (42 U.S.C. 242a(d)(4)(A) and (B)), by
6 striking “338C or 338D” each place that such oc-
7 curs and inserting “338G or 338H”;

8 (2) in section 331(c) (42 U.S.C. 254d(c)), by
9 striking “338D” and inserting “338H”;

10 (3) in section 337(a) (42 U.S.C. 254j(a)), by
11 striking “338G” and inserting “338K”;

12 (4) in 338A (42 U.S.C. 254l)—

13 (A) in subsection (c)(1)—

14 (i) in subparagraph (A), by striking
15 “338D” and inserting “338I”; and

16 (ii) in subparagraph (B), by striking
17 “338C” and inserting “338H”;

18 (B) in subsection (f)(3), by striking
19 “338D” and inserting “338I”; and

20 (C) in subsection (i)(5)—

21 (i) in subparagraph (A), by striking
22 “338E” and inserting “338I”; and

23 (ii) in subparagraph (B)(ii), by strik-
24 ing “338E” and inserting “338I”;

25 (5) in section 338C (as so redesignated) (42
26 U.S.C. 254l-1)—

1 (A) in subsection (c)(1)—

2 (i) in subparagraph (A), by striking
3 “338E” and inserting “338I”; and

4 (ii) in subparagraph (B), by striking
5 “338D” and inserting “338H”;

6 (B) in subsection (f)(1)(B)(iv), by striking
7 “338D” and inserting “338H”;

8 (C) in subsection (f)(4), by striking
9 “338E” and inserting “338I”; and

10 (D) in subsection (i)(7)—

11 (i) in subparagraph (A), by striking
12 “338E” and inserting “338I”; and

13 (ii) in subparagraph (B)(ii), by strik-
14 ing “338E” and inserting “338I”;

15 (6) in section 338E(d)(1)(C) (as so redesign-
16 nated by section 132), by striking “338J” and in-
17 serting “338M”;

18 (7) in section 338G (as so redesignated by sec-
19 tion 132)—

20 (A) in subsection (a)—

21 (i) by striking “338D” and inserting
22 “338H”; and

23 (ii) by striking “338B” and inserting
24 “338C”; and

1 (B) in subsection (c)(2), by striking
2 “338D” and inserting “338H”;

3 (8) in section 338H (as so redesignated by sec-
4 tion 132)—

5 (A) in subsection (a), by striking “338C”
6 and inserting “338G”; and

7 (B) in subsection (c), by striking “338B”
8 and inserting “338C”;

9 (9) in section 338I (as so redesignated by sec-
10 tion 132)—

11 (A) in subsection (b)(1)(A)—

12 (i) by striking “338F” and inserting
13 “338J”;

14 (ii) by striking “338C or 338D” and
15 inserting “338G or 338H”;

16 (iii) by striking “338C” and inserting
17 “338G”; and

18 (iv) by striking “338D” and inserting
19 “338H”; and

20 (B) in subsection (c)(1)—

21 (i) by striking “338F” and inserting
22 “338K”;

23 (ii) by striking “338B” and inserting
24 “338C”; and

1 (iii) by striking “338C or 338D” and
 2 inserting “338G or 338H”;

3 (10) in section 338J(b) (as so redesignated by
 4 section 132)—

5 (A) in paragraph (1)—

6 (i) by striking “338E” and inserting
 7 “338I”; and

8 (ii) by striking “338B” and inserting
 9 “338C”; and

10 (B) in paragraph (2), by striking “338I”
 11 and inserting “338E”;

12 (11) in section 338K (as so redesignated by
 13 section 132)—

14 (A) in subsection (a)(2), by striking
 15 “338D” and inserting “338H”; and

16 (B) in subsection (d)(1), by striking
 17 “338E” and inserting “338I”; and

18 (12) in section 338M(e)(1)(B)(ii)(III) (as so re-
 19 designated by section 132), by striking “338I” and
 20 inserting “338E”.

21 **PART 2—SCHOOL-BASED REVOLVING LOAN**

22 **FUNDS**

23 **SEC. 135. PRIMARY CARE LOAN PROGRAM.**

24 (a) REQUIREMENT FOR SCHOOLS.—Section
 25 723(b)(1) of the Public Health Service Act (42 U.S.C.

1 292s(b)(1)), as amended by section 2014(c)(2)(A)(ii) of
 2 Public Law 103–43 (107 Stat. 216), is amended by strik-
 3 ing “3 years before” and inserting “4 years before”.

4 (b) SERVICE REQUIREMENT FOR PRIMARY CARE
 5 LOAN BORROWERS.—Section 723(a) of the Public Health
 6 Service Act (42 U.S.C. 292s(a)) is amended in subpara-
 7 graph (B) of paragraph (1), by striking “through the date
 8 on which the loan is repaid in full” and inserting “for 5
 9 years after completing the residency program”.

10 (c) REPORT REQUIREMENT.—Section 723 of the
 11 Public Health Service Act (42 U.S.C. 292s) is amended—

12 (1) by striking subsection (c); and

13 (2) by redesignating subsection (d) as sub-
 14 section (c).

15 **SEC. 136. LOANS FOR DISADVANTAGED STUDENTS.**

16 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
 17 724(f)(1) of the Public Health Service Act (42 U.S.C.
 18 292t(f)(1)) is amended by striking “\$15,000,000 for fiscal
 19 year 1993” and inserting “\$8,000,000 for each of the fis-
 20 cal years 1996 through 1998”.

21 (b) REPEAL.—Effective October 1, 1998, paragraph
 22 (1) of section 724(f) of the Public Health Service Act (42
 23 U.S.C. 292t(f)(1)) is repealed.

1 **SEC. 137. STUDENT LOANS REGARDING SCHOOLS OF**
2 **NURSING.**

3 (a) IN GENERAL.—Section 836(b) of the Public
4 Health Service Act (42 U.S.C. 297b(b)) is amended—

5 (1) in paragraph (1), by striking the period at
6 the end and inserting a semicolon;

7 (2) in paragraph (2)—

8 (A) in subparagraph (A), by striking
9 “and” at the end; and

10 (B) by inserting before the semicolon at
11 the end the following: “, and (C) such addi-
12 tional periods under the terms of paragraph (8)
13 of this subsection”;

14 (3) in paragraph (7), by striking the period at
15 the end and inserting “; and”; and

16 (4) by adding at the end the following para-
17 graph:

18 “(8) pursuant to uniform criteria established by
19 the Secretary, the repayment period established
20 under paragraph (2) for any student borrower who
21 during the repayment period failed to make consecu-
22 tive payments and who, during the last 12 months
23 of the repayment period, has made at least 12 con-
24 secutive payments may be extended for a period not
25 to exceed 10 years.”.

1 (b) MINIMUM MONTHLY PAYMENTS.—Section 836(g)
2 of the Public Health Service Act (42 U.S.C. 297b(g)) is
3 amended by striking “\$15” and inserting “\$40”.

4 (c) ELIMINATION OF STATUTE OF LIMITATION FOR
5 LOAN COLLECTIONS.—

6 (1) IN GENERAL.—Section 836 of the Public
7 Health Service Act (42 U.S.C. 297b) is amended by
8 adding at the end the following new subsection:

9 “(l) ELIMINATION OF STATUTE OF LIMITATION FOR
10 LOAN COLLECTIONS.—

11 “(1) PURPOSE.—It is the purpose of this sub-
12 section to ensure that obligations to repay loans
13 under this section are enforced without regard to
14 any Federal or State statutory, regulatory, or ad-
15 ministrative limitation on the period within which
16 debts may be enforced.

17 “(2) PROHIBITION.—Notwithstanding any other
18 provision of Federal or State law, no limitation shall
19 terminate the period within which suit may be filed,
20 a judgment may be enforced, or an offset, garnish-
21 ment, or other action may be initiated or taken by
22 a school of nursing that has an agreement with the
23 Secretary pursuant to section 835 that is seeking
24 the repayment of the amount due from a borrower

1 on a loan made under this subpart after the default
2 of the borrower on such loan.”.

3 (2) EFFECTIVE DATE.—The amendment made
4 by paragraph (1) shall be effective with respect to
5 actions pending on or after the date of enactment of
6 this Act.

7 (d) BREACH OF AGREEMENTS.—Section 338D of the
8 Public Health Service Act (as so redesignated and amend-
9 ed under section 132(c)) is amended by adding at the end
10 thereof the following new subsection:

11 “(g) BREACH OF AGREEMENT.—

12 “(1) IN GENERAL.—In the case of any program
13 under this section under which an individual makes
14 an agreement to provide health services for a period
15 of time in accordance with such program in consid-
16 eration of receiving an award of Federal funds re-
17 garding education as a nurse (including an award
18 for the repayment of loans), the following applies if
19 the agreement provides that this subsection is appli-
20 cable:

21 “(A) In the case of a program under this
22 section that makes an award of Federal funds
23 for attending an accredited program of nursing
24 (in this section referred to as a ‘nursing pro-
25 gram’), the individual is liable to the Federal

1 Government for the amount of such award (in-
2 cluding amounts provided for expenses related
3 to such attendance), and for interest on such
4 amount at the maximum legal prevailing rate,
5 if the individual—

6 “(i) fails to maintain an acceptable
7 level of academic standing in the nursing
8 program (as indicated by the program in
9 accordance with requirements established
10 by the Secretary);

11 “(ii) is dismissed from the nursing
12 program for disciplinary reasons; or

13 “(iii) voluntarily terminates the nurs-
14 ing program.

15 “(B) The individual is liable to the Federal
16 Government for the amount of such award (in-
17 cluding amounts provided for expenses related
18 to such attendance), and for interest on such
19 amount at the maximum legal prevailing rate,
20 if the individual fails to provide health services
21 in accordance with the program under this sec-
22 tion for the period of time applicable under the
23 program.

24 “(2) WAIVER OR SUSPENSION OF LIABILITY.—

25 In the case of an individual or health facility making

1 an agreement for purposes of paragraph (1), the
2 Secretary shall provide for the waiver or suspension
3 of liability under such subsection if compliance by
4 the individual or the health facility, as the case may
5 be, with the agreements involved is impossible, or
6 would involve extreme hardship to the individual or
7 facility, and if enforcement of the agreements with
8 respect to the individual or facility would be uncon-
9 scionable.

10 “(3) DATE CERTAIN FOR RECOVERY.—Subject
11 to paragraph (2), any amount that the Federal Gov-
12 ernment is entitled to recover under paragraph (1)
13 shall be paid to the United States not later than the
14 expiration of the 3-year period beginning on the date
15 the United States becomes so entitled.

16 “(4) AVAILABILITY.—Amounts recovered under
17 paragraph (1) with respect to a program under this
18 section shall be available for the purposes of such
19 program, and shall remain available for such pur-
20 poses until expended.”.

21 (e) TECHNICAL AMENDMENTS.—Section 839 of the
22 Public Health Service Act (42 U.S.C. 297e) is amended—

23 (1) in subsection (a)—

24 (A) by striking the matter preceding para-
25 graph (1) and inserting the following:

1 “(a) If a school terminates a loan fund established
 2 under an agreement pursuant to section 835(b), or if the
 3 Secretary for good cause terminates the agreement with
 4 the school, there shall be a capital distribution as fol-
 5 lows:”; and

6 (B) in paragraph (1), by striking “at the
 7 close of September 30, 1999,” and inserting
 8 “on the date of termination of the fund”; and
 9 (2) in subsection (b), to read as follows:

10 “(b) If a capital distribution is made under sub-
 11 section (a), the school involved shall, after such capital dis-
 12 tribution, pay to the Secretary, not less often than quar-
 13 terly, the same proportionate share of amounts received
 14 by the school in payment of principal or interest on loans
 15 made from the loan fund established under section 835(b)
 16 as determined by the Secretary under subsection (a).”.

17 **SEC. 138. GENERAL PROVISIONS.**

18 (a) MAXIMUM STUDENT LOAN PROVISIONS AND
 19 MINIMUM PAYMENTS.—

20 (1) IN GENERAL.—Section 722(a)(1) of the
 21 Public Health Service Act (42 U.S.C. 292r(a)(1)),
 22 as amended by section 2014(b)(1) of Public Law
 23 103–43, is amended by striking “the sum of” and
 24 all that follows through the end thereof and insert-
 25 ing “the cost of attendance (including tuition, other

1 reasonable educational expenses, and reasonable liv-
 2 ing costs) for that year at the educational institution
 3 attended by the student (as determined by such edu-
 4 cational institution).”.

5 (2) THIRD AND FOURTH YEARS.—Section
 6 722(a)(2) of the Public Health Service Act (42
 7 U.S.C. 292r(a)(2)), as amended by section
 8 2014(b)(1) of Public Law 103–43, is amended by
 9 striking “the amount \$2,500” and all that follows
 10 through “including such \$2,500” and inserting “the
 11 amount of the loan may, in the case of the third or
 12 fourth year of a student at a school of medicine or
 13 osteopathic medicine, be increased to the extent nec-
 14 essary”.

15 (3) REPAYMENT PERIOD.—Section 722(c) of
 16 the Public Health Service Act (42 U.S.C. 292r(c)),
 17 as amended by section 2014(b)(1) of Public Law
 18 103–43, is amended—

19 (A) in the subsection heading by striking
 20 “TEN-YEAR” and inserting “REPAYMENT”;

21 (B) by striking “ten-year period which be-
 22 gins” and inserting “period of not less than 10
 23 years nor more than 25 years which begins”;
 24 and

1 (C) by striking “such ten-year period” and
2 inserting “such period”.

3 (4) MINIMUM PAYMENTS.—Section 722(j) of
4 the Public Health Service Act (42 U.S.C. 292r(j)),
5 as amended by section 2014(b)(1) of Public Law
6 103–43, is amended by striking “\$15” and inserting
7 \$40”.

8 (b) ELIMINATION OF STATUTE OF LIMITATION FOR
9 LOAN COLLECTIONS.—

10 (1) IN GENERAL.—Section 722 of the Public
11 Health Service Act (42 U.S.C. 292r), as amended by
12 section 2014(b)(1) of Public Law 103–43, is amend-
13 ed by adding at the end the following new sub-
14 section:

15 “(m) ELIMINATION OF STATUTE OF LIMITATION FOR
16 LOAN COLLECTIONS.—

17 “(1) PURPOSE.—It is the purpose of this sub-
18 section to ensure that obligations to repay loans
19 under this section are enforced without regard to
20 any Federal or State statutory, regulatory, or ad-
21 ministrative limitation on the period within which
22 debts may be enforced.

23 “(2) PROHIBITION.—Notwithstanding any other
24 provision of Federal or State law, no limitation shall
25 terminate the period within which suit may be filed,

1 a judgment may be enforced, or an offset, garnish-
 2 ment, or other action may be initiated or taken by
 3 a school that has an agreement with the Secretary
 4 pursuant to section 721 that is seeking the repay-
 5 ment of the amount due from a borrower on a loan
 6 made under this subpart after the default of the bor-
 7 rower on such loan.”.

8 (2) EFFECTIVE DATE.—The amendment made
 9 by paragraph (1) shall be effective with respect to
 10 actions pending on or after the date of enactment of
 11 this Act.

12 (c) DATE CERTAIN FOR CONTRIBUTIONS.—Para-
 13 graph (2) of section 735(e) of the Public Health Service
 14 Act (42 U.S.C. 292y(e)(2)) is amended to read as follows:

15 “(2) DATE CERTAIN FOR CONTRIBUTIONS.—
 16 Amounts described in paragraph (1) that are re-
 17 turned to the Secretary shall be obligated before the
 18 end of the succeeding fiscal year.”.

19 **PART 3—INSURED HEALTH EDUCATION**
 20 **ASSISTANCE LOANS TO GRADUATE STUDENTS**
 21 **SEC. 141. HEALTH EDUCATION ASSISTANCE LOAN PRO-**
 22 **GRAM.**

23 (a) HEALTH EDUCATION ASSISTANCE LOAN
 24 DEFERMENT FOR BORROWERS PROVIDING HEALTH
 25 SERVICES TO INDIANS.—

1 (1) IN GENERAL.—Section 705(a)(2)(C) of the
2 Public Health Service Act (42 U.S.C.
3 292d(a)(2)(C)) is amended by striking “and (x)”
4 and inserting “(x) not in excess of three years, dur-
5 ing which the borrower is providing health care serv-
6 ices to Indians through an Indian health program
7 (as defined in section 108(a)(2)(A) of the Indian
8 Health Care Improvement Act (25 U.S.C.
9 1616a(a)(2)(A)); and (xi)”.

10 (2) CONFORMING AMENDMENTS.—Section
11 705(a)(2)(C) of the Public Health Service Act (42
12 U.S.C. 292d(a)(2)(C)) is further amended—

13 (A) in clause (xi) (as so redesignated) by
14 striking “(ix)” and inserting “(x)”; and

15 (B) in the matter following such clause
16 (xi), by striking “(x)” and inserting “(xi)”.

17 (3) EFFECTIVE DATE.—The amendments made
18 by this subsection shall apply with respect to serv-
19 ices provided on or after the first day of the third
20 month that begins after the date of the enactment
21 of this Act.

22 (b) REPORT REQUIREMENT.—Section 709(b) of the
23 Public Health Service Act (42 U.S.C. 292h(b)) is
24 amended—

1 (1) in paragraph (4)(B), by adding “and” after
 2 the semicolon;

3 (2) in paragraph (5), by striking “; and” and
 4 inserting a period; and

5 (3) by striking paragraph (6).

6 (c) COLLECTION FROM ESTATES.—Section 714 of
 7 the Public Health Service Act (42 U.S.C. 292m) is amend-
 8 ed by adding at the end the following new sentence: “Not-
 9 withstanding the first sentence, the Secretary may, in the
 10 case of a borrower who dies, collect any remaining unpaid
 11 balance owed to the lender, the holder of the loan, or the
 12 Federal Government from the borrower’s estate.”.

13 **SEC. 142. HEAL LENDER AND HOLDER PERFORMANCE**
 14 **STANDARDS.**

15 (a) GENERAL AMENDMENTS.—Section 707(a) of the
 16 Public Health Service Act (42 U.S.C. 292f) is amended—

17 (1) by striking the last sentence;

18 (2) by striking “determined.” and inserting
 19 “determined, except that, if the insurance bene-
 20 ficiary including any servicer of the loan is not des-
 21 ignated for ‘exceptional performance’, as set forth in
 22 paragraph (2), the Secretary shall pay to the bene-
 23 ficiary a sum equal to 98 percent of the amount of
 24 the loss sustained by the insured upon that loan.”;

25 (3) by striking “Upon” and inserting:

1 “(1) IN GENERAL.—Upon”; and

2 (4) by adding at the end the following new
3 paragraph:

4 “(2) EXCEPTIONAL PERFORMANCE.—

5 “(A) AUTHORITY.—Where the Secretary
6 determines that an eligible lender, holder, or
7 servicer has a compliance performance rating
8 that equals or exceeds 97 percent, the Secretary
9 shall designate that eligible lender, holder, or
10 servicer, as the case may be, for exceptional
11 performance.

12 “(B) COMPLIANCE PERFORMANCE RAT-
13 ING.—For purposes of subparagraph (A), a
14 compliance performance rating is determined
15 with respect to compliance with due diligence in
16 the disbursement, servicing, and collection of
17 loans under this subpart for each year for
18 which the determination is made. Such rating
19 shall be equal to the percentage of all due dili-
20 gence requirements applicable to each loan, on
21 average, as established by the Secretary, with
22 respect to loans serviced during the period by
23 the eligible lender, holder, or servicer.

24 “(C) ANNUAL AUDITS FOR LENDERS,
25 HOLDERS, AND SERVICERS.—Each eligible lend-

1 er, holder, or servicer desiring a designation
2 under subparagraph (A) shall have an annual
3 financial and compliance audit conducted with
4 respect to the loan portfolio of such eligible
5 lender, holder, or servicer, by a qualified inde-
6 pendent organization from a list of qualified or-
7 ganizations identified by the Secretary and in
8 accordance with standards established by the
9 Secretary. The standards shall measure the
10 lender's, holder's, or servicer's compliance with
11 due diligence standards and shall include a de-
12 fined statistical sampling technique designed to
13 measure the performance rating of the eligible
14 lender, holder, or servicer for the purpose of
15 this section. Each eligible lender, holder, or
16 servicer shall submit the audit required by this
17 section to the Secretary.

18 “(D) SECRETARY’S DETERMINATIONS.—

19 The Secretary shall make the determination
20 under subparagraph (A) based upon the audits
21 submitted under this paragraph and any infor-
22 mation in the possession of the Secretary or
23 submitted by any other agency or office of the
24 Federal Government.

1 “(E) QUARTERLY COMPLIANCE AUDIT.—

2 To maintain its status as an exceptional per-
3 former, the lender, holder, or servicer shall un-
4 dergo a quarterly compliance audit at the end
5 of each quarter (other than the quarter in
6 which status as an exceptional performer is es-
7 tablished through a financial and compliance
8 audit, as described in subparagraph (C)), and
9 submit the results of such audit to the Sec-
10 retary. The compliance audit shall review com-
11 pliance with due diligence requirements for the
12 period beginning on the day after the ending
13 date of the previous audit, in accordance with
14 standards determined by the Secretary.

15 “(F) REVOCATION AUTHORITY.—The Sec-
16 retary shall revoke the designation of a lender,
17 holder, or servicer under subparagraph (A) if
18 any quarterly audit required under subpara-
19 graph (E) is not received by the Secretary by
20 the date established by the Secretary or if the
21 audit indicates the lender, holder, or servicer
22 has failed to meet the standards for designation
23 as an exceptional performer under subpara-
24 graph (A). A lender, holder, or servicer receiv-
25 ing a compliance audit not meeting the stand-

ard for designation as an exceptional performer
may reapply for designation under subparagraph (A) at any time.

“(G) DOCUMENTATION.—Nothing in this
section shall restrict or limit the authority of
the Secretary to require the submission of
claims documentation evidencing servicing performed on loans, except that the Secretary may not require exceptional performers to submit greater documentation than that required for lenders, holders, and servicers not designated under subparagraph (A).

“(H) COST OF AUDITS.—Each eligible lender, holder, or servicer shall pay for all the costs associated with the audits required under this section.

“(I) ADDITIONAL REVOCATION AUTHORITY.—Notwithstanding any other provision of this section, a designation under subparagraph (A) may be revoked at any time by the Secretary if the Secretary determines that the eligible lender, holder, or servicer has failed to maintain an overall level of compliance consistent with the audit submitted by the eligible lender, holder, or servicer under this paragraph

1 or if the Secretary asserts that the lender, hold-
 2 er, or servicer may have engaged in fraud in se-
 3 curing designation under subparagraph (A) or
 4 is failing to service loans in accordance with
 5 program requirements.

6 “(J) NONCOMPLIANCE.—A lender, holder,
 7 or servicer designated under subparagraph (A)
 8 that fails to service loans or otherwise comply
 9 with applicable program regulations shall be
 10 considered in violation of the Federal False
 11 Claims Act.”.

12 (b) DEFINITION.—Section 707(e) of the Public
 13 Health Service Act (42 U.S.C. 292f(e)) is amended by
 14 adding at the end the following new paragraph:

15 “(4) The term ‘servicer’ means any agency act-
 16 ing on behalf of the insurance beneficiary.”.

17 (c) EFFECTIVE DATE.—The amendments made by
 18 subsections (a) and (b) shall apply with respect to loans
 19 submitted to the Secretary for payment on or after the
 20 first day of the sixth month that begins after the date
 21 of enactment of this Act.

22 **SEC. 143. REAUTHORIZATION.**

23 (a) LOAN PROGRAM.—Section 702(a) of the Public
 24 Health Service Act (42 U.S.C. 292a(a)) is amended—

1 (1) by striking “\$350,000,000” and all that fol-
 2 lows through “1995” and inserting “\$260,000,000
 3 for fiscal year 1996, \$160,000,000 for fiscal year
 4 1997, and \$80,000,000 for fiscal year 1998”;

5 (2) by striking “obtained prior loans insured
 6 under this subpart” and inserting “obtained loans
 7 insured under this subpart in fiscal year 1996 or in
 8 prior fiscal years”; and

9 (3) by adding at the end thereof the following
 10 new sentence: “The Secretary may establish guide-
 11 lines and procedures that lenders must follow in dis-
 12 tributing funds under this subpart.”.

13 (b) INSURANCE PROGRAM.—Section 710(a)(2)(B) of
 14 the Public Health Service Act (42 U.S.C. 292i(a)(2)(B))
 15 is amended by striking “any of the fiscal years 1993
 16 through 1996” and inserting “fiscal year 1993 and subse-
 17 quent fiscal years”.

18 **PART 4—SCHOLARSHIPS FOR DISADVANTAGED**

19 **STUDENTS**

20 **SEC. 151. SCHOLARSHIPS FOR DISADVANTAGED STUDENTS.**

21 Part B of title VII of the Public Health Service Act
 22 (as amended by section 101(a)) is further amended by
 23 adding at the end thereof the following new section:

1 **“SEC. 740. SCHOLARSHIPS FOR DISADVANTAGED STU-**
2 **DENTS.**

3 “(a) IN GENERAL.—The Secretary may make a grant
4 to an eligible entity (as defined in subsection (f)(1)) under
5 this section for the awarding of scholarships by schools
6 to any full-time student who is an eligible individual as
7 defined in subsection (f). Such scholarships may be ex-
8 pended only for tuition expenses, other reasonable edu-
9 cational expenses, and reasonable living expenses incurred
10 in the attendance of such school, and may not, for any
11 year of such attendance for which the scholarship is pro-
12 vided, provide an amount exceeding the total amount re-
13 quired for the year.

14 “(b) PREFERENCE IN PROVIDING SCHOLARSHIPS.—
15 The Secretary may not make a grant to an entity under
16 subsection (a) unless the health professions and nursing
17 schools involved agrees that, in providing scholarships pur-
18 suant to the grant, the school will give preference to stu-
19 dents for whom the costs of attending the school would
20 constitute a severe financial hardship and, notwithstand-
21 ing other provisions of this section, to former recipients
22 of scholarships under sections 736 and 740(d)(2)(B) (as
23 such sections existed on the day before the date of enact-
24 ment of this section).

25 “(c) AMOUNT OF AWARD.—In awarding grants to eli-
26 gible entities that are health professions and nursing

1 schools, the Secretary shall give priority to eligible entities
 2 based on the proportion of graduating students going into
 3 primary care, the proportion of minority students, and the
 4 proportion of graduates working in medically underserved
 5 areas.

6 “(d) MAXIMUM SCHOLARSHIP AWARD.—The maxi-
 7 mum scholarship that an individual may receive in any
 8 year from an eligible entity that is a health professions
 9 and nursing schools shall be \$3,000.

10 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
 11 are authorized to be appropriated to carry out this section,
 12 \$32,000,000 for each of the fiscal years 1996 through
 13 1999. Of the amount appropriated in any fiscal year, the
 14 Secretary shall ensure that not less than 16 percent shall
 15 be distributed to schools of nursing.

16 “(f) DEFINITIONS.—As used in this section:

17 “(1) ELIGIBLE ENTITIES.—The term ‘eligible
 18 entities’ means an entity that—

19 “(A) is a school of medicine, osteopathic
 20 medicine, dentistry, nursing (as defined in sec-
 21 tion 801), pharmacy, podiatric medicine, optom-
 22 etry, veterinary medicine, public health, or al-
 23 lied health, a school offering a graduate pro-
 24 gram in mental health practice, or an entity

1 providing programs for the training of physi-
 2 cian assistant; and

3 “(B) is carrying out a program for recruit-
 4 ing and retaining students from disadvantaged
 5 backgrounds, including students who are mem-
 6 bers of racial and ethnic minority groups.

7 “(2) ELIGIBLE INDIVIDUAL.—The term ‘eligible
 8 individual’ means an individual who—

9 “(A) is from a disadvantaged background;

10 “(B) has a financial need for a scholar-
 11 ship; and

12 “(C) is enrolled (or accepted for enroll-
 13 ment) at an eligible health profession or nurs-
 14 ing school as a full-time student in a program
 15 leading to a degree in a health profession or
 16 nursing.”.

17 **TITLE II—OFFICE OF MINORITY** 18 **HEALTH**

19 **SEC. 201. REVISION AND EXTENSION OF PROGRAMS OF OF-** 20 **FICE OF MINORITY HEALTH.**

21 (a) IN GENERAL.—Section 1707 of the Public Health
 22 Service Act (42 U.S.C. 300u–6) is amended by striking
 23 subsection (b) and all that follows and inserting the follow-
 24 ing:

1 “(b) DUTIES.—With respect to improving the health
2 of racial and ethnic minority groups, the Secretary, acting
3 through the Deputy Assistant Secretary for Minority
4 Health (in this section referred to as the ‘Deputy Assist-
5 ant Secretary’), shall carry out the following:

6 “(1) Establish short-range and long-range goals
7 and objectives and coordinate all other activities
8 within the Public Health Service that relate to dis-
9 ease prevention, health promotion, service delivery,
10 and research concerning such individuals. The heads
11 of each of the agencies of the Service shall consult
12 with the Deputy Assistant Secretary to ensure the
13 coordination of such activities.

14 “(2) Carry out the following types of activities
15 by entering into interagency agreements with other
16 agencies of the Public Health Service:

17 “(A) Support research, demonstrations and
18 evaluations to test new and innovative models.

19 “(B) Increase knowledge and understand-
20 ing of health risk factors.

21 “(C) Develop mechanisms that support
22 better information dissemination, education,
23 prevention, and service delivery to individuals
24 from disadvantaged backgrounds, including in-

1 individuals who are members of racial or ethnic
2 minority groups.

3 “(D) Ensure that the National Center for
4 Health Statistics collects data on the health
5 status of each minority group.

6 “(E) With respect to individuals who lack
7 proficiency in speaking the English language,
8 enter into contracts with public and nonprofit
9 private providers of primary health services for
10 the purpose of increasing the access of the indi-
11 viduals to such services by developing and car-
12 rying out programs to provide bilingual or in-
13 terpretive services.

14 “(3) Support a national minority health re-
15 source center to carry out the following:

16 “(A) Facilitate the exchange of informa-
17 tion regarding matters relating to health infor-
18 mation and health promotion, preventive health
19 services, and education in the appropriate use
20 of health care.

21 “(B) Facilitate access to such information.

22 “(C) Assist in the analysis of issues and
23 problems relating to such matters.

24 “(D) Provide technical assistance with re-
25 spect to the exchange of such information (in-

1 cluding facilitating the development of materials
2 for such technical assistance).

3 “(4) Carry out programs to improve access to
4 health care services for individuals with limited pro-
5 ficiency in speaking the English language by facili-
6 tating the removal of impediments to the receipt of
7 health care that result from such limitation. Activi-
8 ties under the preceding sentence shall include con-
9 ducting research and developing and evaluating
10 model projects.

11 “(5) Not later than June 8 of each year, the
12 heads of the Public Health Service agencies shall
13 submit to the Deputy Assistant Secretary a report
14 summarizing the minority health activities of each of
15 the respective agencies.

16 “(c) ADVISORY COMMITTEE.—

17 “(1) IN GENERAL.—The Secretary shall estab-
18 lish an advisory committee to be known as the Advi-
19 sory Committee on Minority Health (in this sub-
20 section referred to as the ‘Committee’). The Deputy
21 Assistant Secretary shall consult with the Committee
22 in carrying out this section.

23 “(2) DUTIES.—The Committee shall provide
24 advice to the Deputy Assistant Secretary carrying
25 out this section, including advice on the development

1 of goals and specific program activities under para-
2 graphs (1) and (2) of subsection (b) for each racial
3 and ethnic minority group.

4 “(3) CHAIR.—The Deputy Assistant Secretary
5 shall serve as the chair of the Committee.

6 “(4) COMPOSITION.—

7 “(A) The Committee shall be composed of
8 12 voting members appointed in accordance
9 with subparagraph (B), and nonvoting, ex
10 officio members designated in subparagraph
11 (C).

12 “(B) The voting members of the Commit-
13 tee shall be appointed by the Secretary from
14 among individuals who are not officers or em-
15 ployees of the Federal Government and who
16 have expertise regarding issues of minority
17 health. The racial and ethnic minority groups
18 shall be equally represented among such mem-
19 bers.

20 “(C) The nonvoting, ex officio members of
21 the Committee shall be the directors of each of
22 the minority health offices, and such additional
23 officials of the Department of Health and
24 Human Services as the Secretary determines to
25 be appropriate.

1 “(5) TERMS.—Each member of the Committee
2 shall serve for a term of 4 years, except that the
3 Secretary shall initially appoint a portion of the
4 members to terms of 1 year, 2 years, and 3 years.

5 “(6) VACANCIES.—If a vacancy occurs on the
6 Committee, a new member shall be appointed by the
7 Secretary within 90 days from the date that the va-
8 cancy occurs, and serve for the remainder of the
9 term for which the predecessor of such member was
10 appointed. The vacancy shall not affect the power of
11 the remaining members to execute the duties of the
12 Committee.

13 “(7) COMPENSATION.—Members of the Com-
14 mittee who are officers or employees of the United
15 States shall serve without compensation. Members of
16 the Committee who are not officers or employees of
17 the United States shall receive compensation, for
18 each day (including travel time) they are engaged in
19 the performance of the functions of the Committee.
20 Such compensation may not be in an amount in ex-
21 cess of the daily equivalent of the annual maximum
22 rate of basic pay payable under the General Sched-
23 ule (under title 5, United States Code) for positions
24 above GS-15.

1 “(d) CERTAIN REQUIREMENTS REGARDING DU-
2 TIES.—

3 “(1) RECOMMENDATIONS REGARDING LAN-
4 GUAGE AS IMPEDIMENT TO HEALTH CARE.—The
5 Deputy Assistant Secretary for Minority Health
6 shall consult with the Director of the Office of Refu-
7 gee Health, the Director of the Office of Civil
8 Rights, and the Director of the Office of Minority
9 Health of the Health Resources and Services Admin-
10 istration, and other appropriate offices, regarding
11 recommendations for carrying out activities under
12 subsection (b)(4).

13 “(2) EQUITABLE ALLOCATION REGARDING AC-
14 TIVITIES.—

15 “(A) In making awards of grants, coopera-
16 tive agreements, or contracts under this section
17 or section 338A, 338B, 340A, 404, or 724, or
18 part B of title VII, the Secretary, acting as ap-
19 propriate through the Deputy Assistant Sec-
20 retary or the Administrator of the Health Re-
21 sources and Services Administration, shall en-
22 sure that such awards are equitably allocated
23 with respect to the various racial and minority
24 populations.

1 “(B) With respect to grants, cooperative
 2 agreements, and contracts that are available
 3 under the sections specified in subparagraph
 4 (A), the Secretary shall—

5 “(i) carry out activities to inform enti-
 6 ties, as appropriate, that the entities may
 7 be eligible for awards of such assistance;

8 “(ii) provide technical assistance to
 9 such entities in the process of preparing
 10 and submitting applications for the awards
 11 in accordance with the policies of the Sec-
 12 retary regarding such application; and

13 “(iii) inform populations, as appro-
 14 priate, that members of the populations
 15 may be eligible to receive services or other-
 16 wise participate in the activities carried out
 17 with such awards.

18 “(3) CULTURAL COMPETENCY OF SERVICES.—
 19 The Secretary shall ensure that information and
 20 services provided pursuant to subsection (b) are pro-
 21 vided in the language, educational, and cultural con-
 22 text that is most appropriate for the individuals for
 23 whom the information and services are intended.

24 “(e) GRANTS AND CONTRACTS REGARDING DU-
 25 TIES.—

1 “(1) IN GENERAL.—In carrying out subsection
2 (b), the Deputy Assistant Secretary may make
3 awards of grants, cooperative agreements, and con-
4 tracts to public and nonprofit private entities.

5 “(2) PROCESS FOR MAKING AWARDS.—The
6 Deputy Assistant Secretary shall ensure that awards
7 under paragraph (1) are made only on a competitive
8 basis, and that a grant is awarded for a proposal
9 only if the proposal has been recommended for such
10 an award through a process of peer review and has
11 been so recommended by the advisory committee es-
12 tablished under subsection (c).

13 “(3) EVALUATION AND DISSEMINATION.—The
14 Deputy Assistant Secretary, directly or through con-
15 tracts with public and private entities, shall provide
16 for evaluations of projects carried out with awards
17 made under paragraph (1) during the preceding 2
18 fiscal years. The report shall be included in the re-
19 port required under subsection (f) for the fiscal year
20 involved.

21 “(f) BIENNIAL REPORTS.—Not later than February
22 1 of fiscal year 1996 and of each second year thereafter,
23 the Deputy Assistant Secretary shall submit to the Com-
24 mittee on Energy and Commerce of the House of Rep-
25 resentatives, and to the Committee on Labor and Human

1 Resources of the Senate, a report describing the activities
2 carried out under this section during the preceding 2 fiscal
3 years and evaluating the extent to which such activities
4 have been effective in improving the health of racial and
5 ethnic minority groups. Each such report shall include the
6 biennial reports submitted to the Deputy Assistant Sec-
7 retary under section 201(b)(5) for such years by the heads
8 of the Public Health Service agencies.

9 “(g) DEFINITION.—For purposes of this section:

10 “(1) The term ‘racial and ethnic minority
11 group’ means American Indians (including Alaska
12 Natives, Eskimos, and Aleuts); Asian Americans and
13 Pacific Islanders; Blacks; and Hispanics.

14 “(2) The term ‘Hispanic’ means individuals
15 whose origin is Mexican, Puerto Rican, Cuban,
16 Central or South American, or any other Spanish-
17 speaking country.

18 “(h) FUNDING.—For the purpose of carrying out this
19 section, there are authorized to be appropriated
20 \$21,000,000 for fiscal year 1996, such sums as may be
21 necessary for each of the fiscal years 1997 and 1998, and
22 \$19,000,000 for fiscal year 1999.”.

23 (b) MISCELLANEOUS AMENDMENT.—Section 1707 of
24 the Public Health Service Act (42 U.S.C. 300u–6) is

1 amended in the heading for the section by striking “ES-
2 TABLISHMENT OF”.

3 **TITLE III—SELECTED** 4 **INITIATIVES**

5 **SEC. 301. PROGRAMS REGARDING BIRTH DEFECTS.**

6 Section 317C of the Public Health Service Act (42
7 U.S.C. 247b–4) is amended to read as follows:

8 “PROGRAMS REGARDING BIRTH DEFECTS

9 “SEC. 317C. (a) The Secretary, acting through the
10 Director of the Centers for Disease Control and Preven-
11 tion, shall carry out programs—

12 “(1) to collect, analyze, and make available data
13 on birth defects (in a manner that facilitates compli-
14 ance with subsection (d)(2)), including data on the
15 causes of such defects and on the incidence and
16 prevalence of such defects; and

17 “(2) to operate regional centers for the conduct
18 of applied epidemiological research on the prevention
19 of such defects.

20 “(b) ADDITIONAL PROVISIONS REGARDING COLLEC-
21 TION OF DATA.—

22 “(1) IN GENERAL.—In carrying out subsection
23 (a)(1), the Secretary—

24 “(A) shall collect and analyze data by gen-
25 der and by racial and ethnic group, including
26 Hispanics, non-Hispanic whites, Blacks, Native

1 Americans, Asian Americans, and Pacific Is-
2 landers;

3 “(B) shall collect data under subparagraph
4 (A) from birth certificates, death certificates,
5 hospital records, and such other sources as the
6 Secretary determines to be appropriate; and

7 “(C) shall encourage States to establish or
8 improve programs for the collection and analy-
9 sis of epidemiological data on birth defects, and
10 to make the data available.

11 “(2) NATIONAL CLEARINGHOUSE.—In carrying
12 out subsection (a)(1), the Secretary shall establish
13 and maintain a National Information Clearinghouse
14 on Birth Defects to collect and disseminate to health
15 professionals and the general public information on
16 birth defects, including the prevention of such de-
17 fects.

18 “(c) GRANTS AND CONTRACTS.—

19 “(1) IN GENERAL.—In carrying out subsection
20 (a), the Secretary may make grants to and enter
21 into contracts with public and nonprofit private enti-
22 ties.

23 “(2) SUPPLIES AND SERVICES IN LIEU OF
24 AWARD FUNDS.—

1 “(A) Upon the request of a recipient of an
2 award of a grant or contract under paragraph
3 (1), the Secretary may, subject to subparagraph
4 (B), provide supplies, equipment, and services
5 for the purpose of aiding the recipient in carry-
6 ing out the purposes for which the award is
7 made and, for such purposes, may detail to the
8 recipient any officer or employee of the Depart-
9 ment of Health and Human Services.

10 “(B) With respect to a request described
11 in subparagraph (A), the Secretary shall reduce
12 the amount of payments under the award in-
13 volved by an amount equal to the costs of de-
14 tailing personnel and the fair market value of
15 any supplies, equipment, or services provided by
16 the Secretary. The Secretary shall, for the pay-
17 ment of expenses incurred in complying with
18 such request, expend the amounts withheld.

19 “(3) APPLICATION FOR AWARD.—The Secretary
20 may make an award of a grant or contract under
21 paragraph (1) only if an application for the award
22 is submitted to the Secretary and the application is
23 in such form, is made in such manner, and contains
24 such agreements, assurances, and information as the

1 Secretary determines to be necessary to carry out
2 the purposes for which the award is to be made.

3 “(d) BIENNIAL REPORT.—Not later than February
4 1 of fiscal year 1997 and of every second such year there-
5 after, the Secretary shall submit to the Committee on En-
6 ergy and Commerce of the House of Representatives, and
7 the Committee on Labor and Human Resources of the
8 Senate, a report that, with respect to the preceding 2 fis-
9 cal years—

10 “(1) contains information regarding the inci-
11 dence and prevalence of birth defects and the extent
12 to which birth defects have contributed to the inci-
13 dence and prevalence of infant mortality;

14 “(2) contains information under paragraph (1)
15 that is specific to various racial and ethnic groups
16 (including Hispanics, non-Hispanic whites, Blacks,
17 Native Americans, and Asian Americans);

18 “(3) contains an assessment of the extent to
19 which various approaches of preventing birth defects
20 have been effective;

21 “(4) describes the activities carried out under
22 this section; and

23 “(5) contains any recommendations of the Sec-
24 retary regarding this section.”.

1 **SEC. 302. STATE OFFICES OF RURAL HEALTH.**

2 (a) IN GENERAL.—Section 338M of the Public
3 Health Service Act (as so redesignated by section 132)
4 is amended—

5 (1) in subsection (b)(1), in the matter preced-
6 ing subparagraph (A), by striking “in cash”; and

7 (2) in subsection (j)(1)—

8 (A) by striking “and” after “1992,”; and

9 (B) by inserting before the period the fol-
10 lowing: “, and such sums as may be necessary
11 for each of the fiscal years 1996 through
12 1997”; and

13 (3) in subsection (k), by striking
14 “\$10,000,000” and inserting “\$20,000,000”.

15 (b) REPEAL.—Effective on October 1, 1997, section
16 338M of the Public Health Service Act (as so redesignated
17 by section 132) is repealed.

18 **SEC. 303. HEALTH SERVICES FOR PACIFIC ISLANDERS.**

19 Section 10 of the Disadvantaged Minority Health Im-
20 provement Act of 1990 (42 U.S.C. 254c–1) is amended—

21 (1) in subsection (b)—

22 (A) in paragraph (2)—

23 (i) by inserting “, substance abuse”
24 after “availability of health”; and

25 (ii) by striking “, including improved
26 health data systems”;

1 (B) in paragraph (3)—

2 (i) by striking “manpower” and in-
3 serting “care providers”; and

4 (ii) by striking “by—” and all that
5 follows through the end thereof and insert-
6 ing a semicolon;

7 (C) by striking paragraphs (5) and (6);

8 (D) by redesignating paragraphs (7), and
9 (8) as paragraphs (5) and (6), respectively;

10 (E) in paragraph (5) (as so redesignated),
11 by striking “and” at the end thereof;

12 (F) in paragraph (6) (as so redesignated),
13 by striking the period and inserting a semi-
14 colon; and

15 (G) by inserting after paragraph (6) (as so
16 redesignated), the following new paragraphs:

17 “(7) to provide primary health care, preventive
18 health care, and related training to American Sa-
19 moan health care professionals; and

20 “(8) to improve access to health promotion and
21 disease prevention services for rural American
22 Samoa.”;

23 (2) in subsection (f)—

24 (A) by striking “there is” and inserting
25 “there are”; and

1 (B) by striking “\$10,000,000” and all that
2 follows through “1993” and inserting
3 “\$3,000,000 for fiscal year 1995, \$4,000,000
4 for fiscal year 1996, and \$5,000,000 for fiscal
5 year 1997”; and

6 (3) by adding at the end thereof the following
7 new subsection:

8 “(g) STUDY AND REPORT.—

9 “(1) STUDY.—Not later than 180 days after
10 the date of enactment of this subsection, the Sec-
11 retary, acting through the Administrator of the
12 Health Resources and Services Administration, shall
13 enter into a contract with a public or nonprofit pri-
14 vate entity for the conduct of a study to determine
15 the effectiveness of projects funded under this sec-
16 tion.

17 “(2) REPORT.—Not later than July 1, 1996,
18 the Secretary shall prepare and submit to the Com-
19 mittee on Labor and Human Resources of the Sen-
20 ate and the Committee on Energy and Commerce of
21 the House of Representatives a report describing the
22 findings made with respect to the study conducted
23 under paragraph (1).”.

1 **SEC. 304. DEMONSTRATION PROJECTS REGARDING ALZ-**
 2 **HEIMER'S DISEASE.**

3 (a) IN GENERAL.—Section 398(a) of the Public
 4 Health Service Act (42 U.S.C. 280c–3(a)) is amended—

5 (1) in the matter preceding paragraph (1), by
 6 striking “not less than 5, and not more than 15,”;

7 (2) in paragraph (2)—

8 (A) by inserting after “disorders” the fol-
 9 lowing: “who are living in single family homes
 10 or in congregate settings”; and

11 (B) by striking “and” at the end;

12 (3) by redesignating paragraph (3) as para-
 13 graph (4); and

14 (4) by inserting after paragraph (2) the follow-
 15 ing:

16 “(3) to improve the access of such individuals
 17 to home-based or community-based long-term care
 18 services (subject to the services being provided by
 19 entities that were providing such services in the
 20 State involved as of October 1, 1995), particularly
 21 such individuals who are members of racial or ethnic
 22 minority groups, who have limited proficiency in
 23 speaking the English language, or who live in rural
 24 areas; and”.

25 (b) DURATION.—Section 398A of the Public Health
 26 Service Act (42 U.S.C. 280c–4) is amended—

(1) in the heading for the section, by striking
“LIMITATION” and all that follows and inserting
**“REQUIREMENT OF MATCHING
 FUNDS”**;

(2) by striking subsection (a);

(3) by redesignating subsections (b) and (c) as
 subsections (a) and (b), respectively;

(4) in subsection (a) (as so redesignated), in
 each of paragraphs (1)(C) and (2)(C), by striking
 “third year” and inserting “third or subsequent
 year”.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section
 398B(e) of the Public Health Service Act (42 U.S.C.
 280c–5(e)) is amended by striking “and 1993” and insert-
 ing “through 1998”.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. TECHNICAL CORRECTIONS REGARDING PUBLIC LAW 103–183.

(a) AMENDATORY INSTRUCTIONS.—Public Law 103–
 183 is amended—

(1) in section 601—

(A) in subsection (b), in the matter preced-
 ing paragraph (1), by striking “Section 1201 of
 the Public Health Service Act (42 U.S.C.

1 300d)” and inserting “Title XII of the Public
 2 Health Service Act (42 U.S.C. 300d et seq.)”;
 3 and

4 (B) in subsection (f)(1), by striking “in
 5 section 1204(c)” and inserting “in section
 6 1203(c) (as redesignated by subsection (b)(2) of
 7 this section)”;

8 (2) in section 602, by striking “for the pur-
 9 pose” and inserting “For the purpose”; and

10 (3) in section 705(b), by striking “317D((l)(1))”
 11 and inserting “317D(l)(1)”.

12 (b) PUBLIC HEALTH SERVICE ACT.—The Public
 13 Health Service Act, as amended by Public Law 103–183
 14 and by subsection (a) of this section, is amended—

15 (1) in section 317E(g)(2), by striking “making
 16 grants under subsection (b)” and inserting “carrying
 17 out subsection (b)”;

18 (2) in section 318, in subsection (e) as in effect
 19 on the day before the date of the enactment of Pub-
 20 lic Law 103–183, by redesignating the subsection as
 21 subsection (f);

22 (3) in subpart 6 of part C of title IV—

23 (A) by transferring the first section 447
 24 (added by section 302 of Public Law 103–183)
 25 from the current placement of the section;

1 (B) by redesignating the section as section
2 447A; and

3 (C) by inserting the section after section
4 447;

5 (4) in section 1213(a)(8), by striking “provides
6 for for” and inserting “provides for”;

7 (5) in section 1501, by redesignating the second
8 subsection (c) (added by section 101(f) of Public
9 Law 103–183) as subsection (d); and

10 (6) in section 1505(3), by striking “nonprivate”
11 and inserting “private”.

12 (c) MISCELLANEOUS CORRECTION.—Section
13 401(c)(3) of Public Law 103–183 is amended in the mat-
14 ter preceding subparagraph (A) by striking “(d)(5)” and
15 inserting “(e)(5)”.

16 (d) EFFECTIVE DATE.—This section is deemed to
17 have taken effect immediately after the enactment of Pub-
18 lic Law 103–183.

19 **SEC. 402. CERTAIN AUTHORITIES OF CENTERS FOR DIS-**
20 **EASE CONTROL AND PREVENTION.**

21 (a) IN GENERAL.—Part B of title III of the Public
22 Health Service Act is amended by inserting after section
23 317H the following section:

1 “MISCELLANEOUS AUTHORITIES REGARDING CENTERS
2 FOR DISEASE CONTROL AND PREVENTION

3 “SEC. 317I. (a) TECHNICAL AND SCIENTIFIC PEER
4 REVIEW GROUPS.—The Secretary, acting through the Di-
5 rector of the Centers for Disease Control and Prevention,
6 may, without regard to the provisions of title 5, United
7 States Code, governing appointments in the competitive
8 service, and without regard to the provisions of chapter
9 51 and subchapter III of chapter 53 of such title relating
10 to classification and General Schedule pay rates, establish
11 such technical and scientific peer review groups and sci-
12 entific program advisory committees as are needed to
13 carry out the functions of such Centers and appoint and
14 pay the members of such groups, except that officers and
15 employees of the United States shall not receive additional
16 compensation for service as members of such groups. The
17 Federal Advisory Committee Act shall not apply to the
18 duration of such peer review groups. Not more than one-
19 fourth of the members of any such group shall be officers
20 or employees of the United States.

21 “(b) FELLOWSHIP AND TRAINING PROGRAMS.—The
22 Secretary, acting through the Director of the Centers for
23 Disease Control and Prevention, shall establish fellowship
24 and training programs to be conducted by such Centers
25 to train individuals to develop skills in epidemiology, sur-

1 veillance, laboratory analysis, and other disease detection
 2 and prevention methods. Such programs shall be designed
 3 to enable health professionals and health personnel trained
 4 under such programs to work, after receiving such train-
 5 ing, in local, State, national, and international efforts to-
 6 ward the prevention and control of diseases, injuries, and
 7 disabilities. Such fellowships and training may be adminis-
 8 tered through the use of either appointment or non-
 9 appointment procedures.”.

10 (b) EFFECTIVE DATE.—This section is deemed to
 11 have taken effect July 1, 1995.

12 **SEC. 403. ADMINISTRATION OF CERTAIN REQUIREMENTS.**

13 (a) IN GENERAL.—Section 2004 of Public Law 103–
 14 43 (107 Stat. 209) is amended by striking subsection (a).

15 (b) CONFORMING AMENDMENTS.—Section 2004 of
 16 Public Law 103–43, as amended by subsection (a) of this
 17 section, is amended—

18 (1) by striking “(b) SENSE” and all that follows
 19 through “In the case” and inserting the following:

20 “(a) SENSE OF CONGRESS REGARDING PURCHASE
 21 OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In
 22 the case”;

23 (2) by striking “(2) NOTICE TO RECIPIENTS OF
 24 ASSISTANCE” and inserting the following:

25 “(b) NOTICE TO RECIPIENTS OF ASSISTANCE”; and

1 (3) in subsection (b), as redesignated by para-
 2 graph (2) of this subsection, by striking “paragraph
 3 (1)” and inserting “subsection (a)”.

4 (c) EFFECTIVE DATE.—This section is deemed to
 5 have taken effect immediately after the enactment of Pub-
 6 lic Law 103–43.

7 **SEC. 404. TECHNICAL CORRECTIONS RELATING TO HEALTH**
 8 **PROFESSIONS PROGRAMS.**

9 Part G of title VII of the Public Health Service Act
 10 (42 U.S.C. 295j et seq.) is amended by inserting after sec-
 11 tion 794 the following section:

12 **“SEC. 794A. RECOVERY.**

13 “(a) IN GENERAL.—If at any time within 20 years
 14 (or within such shorter period as the Secretary may pre-
 15 scribe by regulation for an interim facility) after the com-
 16 pletion of construction of a facility with respect to which
 17 funds have been paid under section 720(a) (as such sec-
 18 tion existed one day prior to the date of enactment of the
 19 Health Professions Education Extension Amendments of
 20 1992 (Public Law 102–408))—

21 “(1)(A) in the case of a facility which was an
 22 affiliated hospital or outpatient facility with respect
 23 to which funds have been paid under such section
 24 720(a)(1), the owner of the facility ceases to be a
 25 public or other nonprofit agency that would have

1 been qualified to file an application under section
2 605;

3 “(B) in the case of a facility which was not an
4 affiliated hospital or outpatient facility but was a fa-
5 cility with respect to which funds have been paid
6 under paragraph (1) or (3) of such section 720(a),
7 the owner of the facility ceases to be a public or
8 nonprofit school; or

9 “(C) in the case of a facility which was a facil-
10 ity with respect to which funds have been paid under
11 such section 720(a)(2), the owner of the facility
12 ceases to be a public or nonprofit entity;

13 “(2) the facility ceases to be used for the teach-
14 ing or training purposes (or other purposes per-
15 mitted under section 722 (as such section existed
16 one day prior to the date of enactment of the Health
17 Professions Education Extension Amendments of
18 1992 (Public Law 102–408)) for which it was con-
19 structed, or

20 “(3) the facility is used for sectarian instruction
21 or as a place for religious worship,

22 the United States shall be entitled to recover from the
23 owner of the facility the base amount prescribed by sub-
24 section (c)(1) plus the interest (if any) prescribed by sub-
25 section (c)(2).

1 “(b) NOTICE.—The owner of a facility which ceases
2 to be a public or nonprofit agency, school, or entity as
3 described in subparagraph (A), (B), or (C) of subsection
4 (a)(1), as the case may be, or the owner of a facility the
5 use of which changes as described in paragraph (2) or (3)
6 of subsection (a), shall provide the Secretary written no-
7 tice of such cessation or change of use within 10 days after
8 the date on which such cessation or change of use occurs
9 or within 30 days after the date of enactment of this sub-
10 section, whichever is later.

11 “(c) AMOUNT.—

12 “(1) BASE AMOUNT.—The base amount that
13 the United States is entitled to recover under sub-
14 section (a) is the amount bearing the same ratio to
15 the then value (as determined by the agreement of
16 the parties or in an action brought in the district
17 court of the United States for the district in which
18 the facility is situated) of the facility as the amount
19 of the Federal participation bore to the cost of con-
20 struction.

21 “(2) INTEREST.—

22 “(A) IN GENERAL.—The interest that the
23 United States is entitled to recover under sub-
24 section (a) is the interest for the period (if any)
25 described in subparagraph (B) at a rate (deter-

mined by the Secretary) based on the average of the bond equivalent rates of ninety-one-day Treasury bills auctioned during that period.

“(B) PERIOD.—The period referred to in subparagraph (A) is the period beginning—

“(i) if notice is provided as prescribed by subsection (b), 191 days after the date on which the owner of the facility ceases to be a public or nonprofit agency, school, or entity as described in subparagraph (A), (B), or (C) of subsection (a)(1), as the case may be, or 191 days after the date on which the use of the facility changes as described in paragraph (2) or (3) of subsection (a); or

“(ii) if notice is not provided as prescribed by subsection (b), 11 days after the date on which such cessation or change of use occurs,

and ending on the date the amount the United States is entitled to recover is collected.

“(d) WAIVER.—The Secretary may waive the recovery rights of the United States under subsection (a)(2) with respect to a facility (under such conditions as the

1 Secretary may establish by regulation) if the Secretary de-
2 termines that there is good cause for waiving such rights.

3 “(e) LIEN.—The right of recovery of the United
4 States under subsection (a) shall not, prior to judgment,
5 constitute a lien on any facility.”.

6 **SEC. 405. CLINICAL TRAINEESHIPS.**

7 Section 303(d)(1) of the Public Health Service Act
8 (42 U.S.C. 242a(d)(1)) is amended by inserting “counsel-
9 ing,” after “family therapy,”.

10 **SEC. 406. CONSTRUCTION OF REGIONAL CENTERS FOR RE-**
11 **SEARCH ON PRIMATES.**

12 Section 481B(a) of the Public Health Service Act (42
13 U.S.C. 287a–3(a)) is amended by striking “\$5,000,000”
14 and inserting “\$2,500,000”.

15 **SEC. 407. REQUIRED CONSULTATION BY SECRETARY.**

16 The Secretary of Health and Human Services, re-
17 garding the programs under parts B, C, D, and E of title
18 VII, and parts B, C, and D of title VIII, of the Public
19 Health Service Act, as amended by this Act, shall—

20 (1) publish in the Federal Register a general
21 program description for the funding of awards under
22 such parts;

23 (2) solicit and receive written and oral com-
24 ments concerning such description, including the

- 1 holding of a public forum at which interested indi-
- 2 viduals and groups may provide comment; and
- 3 (3) take into consideration information received
- 4 under paragraph (2).

Passed the Senate September 28, 1996.

Attest:

Secretary.

S 555 ES—2

S 555 ES—3

S 555 ES—4

S 555 ES—5

S 555 ES—6

S 555 ES—7

S 555 ES—8

S 555 ES—9

S 555 ES—10

S 555 ES—11

S 555 ES—12

S 555 ES—13

S 555 ES—14

S 555 ES—15

S 555 ES—16

104TH CONGRESS
2D Session

S. 555

AN ACT

To amend the Public Health Service Act to consolidate and reauthorize health professions and minority and disadvantaged health education programs, and for other purposes.